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# Annual Plan

## 2007/2008

(contains details on amendment to the Grey District Long Term Community Outcomes Plan 2006 - 2016)

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Adopted by Council 28 June 2007



# GREY DISTRICT COUNCIL

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## ANNUAL PLAN

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Grey District Council

The logo for Grey District Council features a stylized 'G' composed of three parallel, slanted bars in shades of green and blue. Below the 'G' are two horizontal bars, one green and one blue, which extend across the width of the logo.

01 July 2007 – 30 June 2008



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## **[A] introduction**





# [1] district council offices

## Main Office

Grey District Council  
105 Tainui Street  
P O Box 382  
Greymouth

Tel 03 768 1700  
Fax 03 768 1703  
email: [info@greydc.govt.nz](mailto:info@greydc.govt.nz)  
web: [www.greydc.govt.nz](http://www.greydc.govt.nz)

## Runanga Service Centre,

25 Carroll Street  
Runanga

Tel 03 762 7813  
Fax 03 762 7813

## Grey District Library

Albert Mall  
Greymouth

Tel 03 768 5597  
Fax 03 768 5597  
email [library@greydc.govt.nz](mailto:library@greydc.govt.nz)

## Runanga Library

25 Carroll Street  
Runanga

Tel 03 762 7813

## Banker

Westpac Trust

## Auditor

Audit New Zealand, Christchurch  
on behalf of the Office of the Auditor General, Wellington

## Solicitor

Hannan & Seddon, Greymouth





## [2] message from mayor & chief executive

Welcome to the Council's Annual Plan for the year commencing 01 July 2007. Last year Council adopted the Grey District Long Term Community Outcomes Plan 2006 – 2016, which has been used as the base for this plan.

The emphasis of Council, as per the long term plan, remains committed to:

- responsible and prudent financial planning;
- delivering core services, such as roading, water supply, and sewerage;
- promoting economic growth in a sustainable manner;

This is along with a commitment to keep rate increases to a minimum, not an easy task when Council is still in the position of addressing deferred capital and maintenance items. One impact of this is that perceived levels of service might not reach the expectations of all ratepayers. The general rate take (general rates plus the uniform annual general charge) signalled in this plan is an increase of 4.8% (compared with an increase of 5.6% signalled in the long term plan). There are however two factors which will influence the impact of this on the individual ratepayer.

1. Growth – the increased rate take will be spread over more ratepayers
2. Rating revaluations – the 2006 rating revaluations will be used to set rates for the first time from 01 July 2007. The movement in rating valuations was the largest this district has ever seen, an outcome of the district growing economically.

Highlights for the forthcoming year are:

- the triennial elections to be held in October 2007, which will no doubt become a more topical issue as the date approaches;
- the continuing upgrade of the Greymouth sewerage scheme;
- the expansion of Council's main offices on Tainui St.

We look forward to another exciting year as the district continues to forge ahead.

Regards

Tony Kokshoorn  
**MAYOR**

Paul Pretorius  
**CHIEF EXECUTIVE OFFICER**



# [3] about the plan

## 1. INTRODUCTION

The Local Government Act 2002 requires all councils to have a Long Term Council Community Plan (LTCCP). The **2006 – 2016 Grey District Long Term Community Outcomes Plan (LTCOP)** is our LTCCP. This plan is the combined effort of Council and community. The plan covers a ten year period from 01 July 2006 to 30 June 2016. The plan explains what Council intends to do and what the cost will be for the ten year period of the plan.

The first year of this plan served as the 2006/2007 Annual Plan. In the second and third years between each Long Term Community Outcomes Plan an Annual Plan is prepared which focuses on the budgets of the particular year of publication. The information in this Annual Plan is based therefore on the 2<sup>nd</sup> year of the LTCOP. Where significant variations exist between the LTCOP and this document, these have been highlighted in this document.

## 2. PURPOSE OF AN ANNUAL PLAN

- contain the annual budget and funding impact statement (from which rates are set) for the year to which the annual plan relates; and
- identify any variation from the financial statements and funding impact statement included in the local authority's long-term council community plan in respect of the year; and
- support the long-term council community plan in providing integrated decision-making and co-ordination of the resources of the local authority; and
- contribute to the accountability of the local authority to the community; and
- extend opportunities for participation by the public in decision-making processes relating to the costs and funding of activities to be undertaken by the local authority.

This plan is the final version adopted by Council 28 June 2007, after being consulted on through the 'special consultative procedure (section 83 Local Government Act 2002).

## 3. AMENDMENTS TO THE LTCOP

If Council intends to change certain aspects of the LTCOP, then it is required to process an amendment to the LTCOP. Such changes include:

- significant changes to levels of service delivered, or how they are delivered
- changes to funding and financial policies
- significant financial changes

Amendments can be made concurrently with the annual plan, as has been done in this instance. These amendments are set out in section [B] amendments to the long term plan. Amendments are also highlighted throughout the document in the sections that they pertain to.

Other less significant changes are highlighted as variations to the Long Term Community Outcomes Plan. These do not constitute amendments that required specific consultation, but are rather highlighted for further explanation. The amendments as noted throughout this plan have been approved and adopted by Council, June 2007.

## 4. GUIDE TO THE PLAN

### 1. introduction

This section gives information about our District and an overview of the plan

### 2. amendments to the long term plan

Those amendments to Council's Long Term Plan, that have been consulted on as part of the Annual Plan process, and subsequently adopted by Council June 2007.

### 3. community outcomes

This is where the community outcomes are described, and connects the outcomes with the activities that Council undertakes.

### 4. groups of activities

Gives an overview for each Council activity (grouped), outlining the financial requirements, the major priorities and projects for each activity. It also outlines how Council is going to measure its financial and non-financial performance.

Detail information in respect of the separate activities can be accessed through the activity management plans that are available on request.

### 5. forecast financial statements & information

Gives an overall forecast financial summary for the next ten years. This information is collated from the financial information for each activity described in the previous section.

## 6. policies

Provides the key Council policies that are required to assist with decision making and planning, where there has been an amendment or variation from those used in the Long Term Community Outcomes Plan 2006 – 2016.

## 5. REPORTING ON THE PLAN

At the end of each financial year (30 June) we must complete an Annual Report. This is where we report how we have performed against what we said we were going to do in this plan, and at what cost. We also report on the progress toward achievement of the community outcomes.

Note: Community Outcomes must be consulted on at least once every six years. Council consulted on the outcomes in late 2003 and will be re-consulting on them prior to the next Long Term Community Outcomes Plan in 2009.





## [4] elected representatives and their portfolios

Position	Name	Ward	Portfolio Responsibilities
Mayor	Tony Kokshoorn		Finance Economic Development Port Youth Advocacy Public Relations
Deputy Mayor	Doug Truman QSM	Central	Legal Water Stormwater Sewerage
Councillors	Paul Berry	Eastern	Resource Management Regulatory Functions Staff Dog & Stock Control
	Mark Thomas	Eastern	Airport Civil Defence Safety/Security Parks/Reserves Forestry
	Ian Cummings	Central	Finance (in association with Mayor) Property Liquor Licensing
	Karen Hamilton	Central	Arts Culture Heritage Maori Affairs
	Elinor Stratford MNZM	Central	Health & Disability Library Tourism
	Wayne Moen JP	Southern	Land Transport Waste Management
	Cliff Sandrey	Northern	Sport & Recreation Cemeteries Pensioner Housing Welfare

### Northern Ward Community Board (to be disbanded October 2007)

Members	Alice Noble (Chairperson)
	Owen Burnett
	Ronald Butler
	William Coram

**Council is committed to:**

- Being accountable to its community.
- Representing its community strongly and positively.
- Consulting its community in a spirit of collective decision-making.
- Working with other bodies and institutions pursuing the same goals.
- Participating strongly in the activities of organised local Government.
- Striving towards optimum efficiency and a customer focus.
- Equity and transparency in its dealings with its community.
- Cultural, economic, environmental and social wellbeing of its community in decision-making.
- Sustainability as basis for development activities in the District.
- Creating opportunities for all.
- Being a good employer.
- A healthy community.
- Building on our heritage



# **[B] amendments to the long term plan**



# [1] amendments to the grey district council long term community outcomes plan 2006 – 2016

## [1.1] INTRODUCTION

Council has made the following amendments to the Grey District Council Long Term Community Outcomes Plan 2006 – 2016

- Revenue and Financing Policy – amendments to the type of rate funding tools used for certain activities; and
- Funding Impact Statement – inclusion of the definition of 'Separately Used or Inhabitable Parts' (SUIP) of a rating unit ; and
- Group of activity statement, 'Refuse Collection and Disposal' – amendment of the level of service Council provides for refuse collection, funded from rates; and
- Group of activity statement, 'Community Services' – the inclusion of specifically defined projects and/or recipients to be considered for Major District Initiative (MDI) funding.

All the amendments have been approved and adopted by Council in June 2007, and therefore now form part of the Grey District Long Term Community Outcomes Plan 2006 – 2016.

## [1.2] AMENDMENTS

### [1.2.a] revenue and financing policy amendment

# Grey District Council

Council appointed a 'rating review sub-committee' in early 2007 to consider the impact of the 2006 rating revaluations. From its recommendation Council resolved in March 2007 that they would signal as part of the Draft Annual Plan to fund the following activities from the general rate calculated on land value.

- Dog & Stock Control
- Health Control
- Building Control
- Cemeteries
- Heritage

what was in the existing Long Term Community Outcomes Plan?

The activities were funded from the Uniform Annual General Charge (UAGC).

impact of the amendment

Note that there has been no amendment to the rating input, but rather the type of rating tool used. Also note that other sources of funds (such as user fees and charges) are used to fund these activities.

The rating input for these activities for the 2007/08 year is as follows:

	Adopted Budget 2007/08 \$
Dog and Stock Control	52,696.00
Health Regulation	58,154.00
Building Control	126,097.00
Cemeteries	108,813.00
Arts, Culture & Heritage	144,769.00

The effect of this is that instead of all properties paying an equal share towards the cost of these activities the individual input will now be determined by the relative property rateable value. Council applies a differential in calculating the general rate, based on the type of property use. For further detail on the calculation of rates please refer to the funding impact statement & other rating information on page 79



### [1.2.b] funding impact statement

#### amendment

The Local Government Act 2002 Amendment Act 2006 requires that local authorities include their definition of 'separately used or inhabited part of a property' in Financial Impact Statement if they intend to rate on that basis. Council currently assesses targeted rates for sewerage, water supply, and refuse collection on this basis.

The definition is as follows:

*A separately used or inhabited part (SUIP) of a rating unit is defined as:*

*Any part of a rating unit that which can be:*

- *separately let and/or permanently occupied; and*
- *used for separate purposes.*

*These are separately used parts of a rating unit:*

- *A residential property that contains two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate habitation.*
- *Commercial premises which contain separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.*
- *An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.*
- *Commercial premises which contain separate living quarters.*

*Not separately used parts of a rating unit:*

- *A residential sleep-out or granny flat without independent kitchen facilities.*
- *A hotel room with or without kitchen facilities.*
- *Motel rooms with or without kitchen facilities.*
- *Individual storage garages/sheds/partitioned areas of a warehouse.*
- *Individual offices/premises of partners in a partnership.*

what was in the existing Long Term Community Outcomes Plan?

No definition included.

impact of the amendment

Nil, as this is merely a clarification of definition to be used.

### [1.2.c] Group of activity statement, 'refuse collection & disposal'

#### amendment

Council's Long Term Community Outcomes Plan signalled that **4** refuse bags would be collected per property, per collection, for those properties that are on the collection route and pay the targeted rate.

From July 2007 the targeted rate will fund the collection of up to 104 bags per year (an average of 2 per week). This will be controlled by the use of a 'tag system', with the following criteria:

- Ratepayers who are within the collection route will continue to pay a targeted rate;
- These ratepayers will receive 104 appropriately marked tags per annum (2/week) to attach to their refuse bag;
- Those who wish to put out in excess of 104 per annum will have the ability to purchase additional tags at a cost of **\$1.80** each.

#### **Note:**

- More than 2 bags per week can be placed out for collection. Users will pay (or have to use an alternative) if they want to use in excess of their 104 tags for the year.
- Those properties in the Central Business District, where refuse is collected twice weekly, will receive 208 tags. These properties currently, and will continue to, pay a higher targeted rate.

what was in the existing Long Term Community Outcomes Plan?

Performance measure in the Long Term Community Outcomes Plan was that 4 bags will be collected per week.

impact of the amendment

A small increase in the amount of user fees recovered, whilst the targeted rate (as compared to that signalled in year two of the long term plan) has a minimal decrease (refer rates for refuse collection on page 82)



#### [1.2.d] Group of activity statement, 'Community Services'

##### amendment

That Council considers the following projects for receipt of the Major District Initiative (MDI) funding that is available from the West Coast Development Trust.

- West Coast Theatre Trust – Regent Theatre Upgrade
- Rugby League West Coast
- West Coast Bowls
- Climbing Wall Trust
- Westurf
- West Coast Hockey
- Cobden Sports Complex
- West Coast Tennis Association
- Greymouth Golf Club

These are in addition to the proposed new Aquatic Centre.

The MDI funding is available via the West Coast Development Trust, for Council to distribute to those organisations that meet the funding criteria. In the event of funds being distributed to any of these potential recipients, the impact on the Long Term Plan will be cost neutral (i.e. revenue received matched by expenditure incurred). These matching revenues and expenditures have not been included in the amended long term plan, as there are no approved recipients.

what was in the existing Long Term Community Outcomes Plan?

No projects and/or recipients are specifically referenced in the current plan, apart from the proposed Aquatic Centre.

##### impact of the amendment

No direct impact on the Long Term Community Outcomes Plan. The projects are merely signalled as potential recipients.



# **[C] community outcomes**



# [1] introduction

Council formally consulted its community on the identification and prioritisation of desired outcomes for our District. The result was a clear set of objectives for our community to focus on over the next ten years. Council resolved not to simply accept these outcomes as that of the community but adopted it as its own, thereby giving this plan a definite strategic focus and application. Furthermore, Council resolved to focus all its activities on the achievement of the identified outcomes, a philosophy, which forms the basis of this plan.

## [1.1] OUTCOMES IDENTIFIED

The following outcomes were identified:

<b>Outcome One</b>	A District enjoying quality affordable essential services.
<b>Outcome Two</b>	A thriving local economy creating opportunities.
<b>Outcome Three</b>	Affordable access to quality medical health services.
<b>Outcome Four</b>	An attractive District where residents want to be.
<b>Outcome Five</b>	An active partnership between Council and our community.
<b>Outcome Six</b>	Law, order, personal and property safety.
<b>Outcome Seven</b>	Affordable access to quality education.
<b>Outcome Eight</b>	Good social development services.

## [1.2] HOW WERE THEY IDENTIFIED?

Council formally consulted its community in late 2003 by means of an information leaflet, an invitation to participate and reply paid envelope for the response form. The process was based on the inferred outcomes per Council's strategic plan - **Yes We Will** - 2002/2012, together with a clear invitation to confirm, amend or add to such outcomes. In addition, Council also consulted with groups and Te Runanga O Ngati Waewae.

A total of 343 responses were received confirming the outcomes per the strategic plan and adding outcomes, some of which involve non-local authority functions. Based on low numbers of support for some and the realisation for the need to concentrate on more powerful goals as basis for success, Council reduced the number of outcomes to the eight identified above.

## [1.3] HOW WILL COUNCIL CONTRIBUTE TO ITS ACHIEVEMENT?

Council is committed to achieving identified performance goals and for its performance, in doing so, to act as measure for its success. Council is also committed to going a step further by working with the community, including other service providers, to achieve outcomes. This not only gives this plan a strategic focus, but also makes it a community plan in every sense of the word. The end result can be most beneficial with local resources pooled to achieve these outcomes. With refinement and further community buy-in, this plan has the potential to become a powerful development tool.

For its part, Council will actively work towards achieving these outcomes. This is done by making the outcomes its central focus. This plan groups activities primarily contributing to specific outcomes under such outcomes and sets achievable performance standards for each activity.

## [1.4] HOW DO THE OUTCOMES RELATE TO OTHER PLANNING DOCUMENTS?

The Long Term Community Outcomes Plan 2006 - 2016 replaces the strategic plan. It is so much more powerful than the previous strategic plan because of –

- Community identified outcomes being the focus,
- the integrated focus involving the community including other service providers,
- the direct link between budget and outcomes,
- the larger measure of integration,
- the bigger picture and longer term focus.

The long term plan also represents the long-term financial strategy. It runs parallel with the District Plan and further integration will follow. Year two of the long term plan serves as the basis for this annual plan, and therefore is referred to in budget comparatives.

## [1.5] HOW WILL COUNCIL WORK WITH MAORI TO FURTHER THE OUTCOMES?

Council values its association with Maori and, during 2003, prepared a Memorandum of Understanding for negotiation with both Te Runanga O Ngati Waewae as local Iwi and the local body representing Maori in the District from other areas. The Memorandum of Understanding is still to be negotiated. In the meantime, Maori are being seen as a special focus area for consultation and Council is maintaining a close and productive contact with them.



The Memorandum of Understanding, once in place, will put this on an even more formal footing.

**[1.6] HOW WILL COUNCIL WORK WITH GOVERNMENT AND NON-GOVERNMENT AGENCIES TO FURTHER THE OUTCOMES?**

Council will maintain a productive association with the Crown for purposes of the achievement of outcomes, notably the three outcomes (Affordable Medical Health, Affordable Education and Law, order, personal and property safety) as well as the general wellbeing of our District and its people. Council also acknowledges the existence of developmental agencies like the Greymouth Business Promotions Assn and will consult with them on the plan and associated issues.

**[1.7] HOW WILL PROGRESS IN THE ACHIEVEMENT OF OUTCOMES BE MEASURED?**

The basis of the Long Term Community Outcomes Plan 2006 – 2016 is that it is focused on outcomes and that Council, in achieving its stated outputs, will automatically achieve the outcomes. Council recognises that it has to develop a more formal monitoring regime to measure progress in achieving outcomes. This will be developed in consultation with our community. Council intends doing this by means of:

- a questionnaire/survey of community views. This will not only be dealt with using the Special Consultative procedure, but Council also intends making it part of a publicity initiative through the local media.
- Consultation with community groups and organisations selected for their ability to contribute to such process.

This also applies to the relationship of this plan to other key documents and ensuring that such documents are complied with. As monitoring improves, the partnership between Council and its community will strengthen and the outcome measures will evolve. Unlike the Local Government Act, 2002 that sees a Long Term Council Community Plan as a fixed plan, Council sees it as an ever evolving product of interaction between Council and its community.

**[1.8] HOW WILL COUNCIL ENSURE THAT THE FOUR COMMUNITY WELLBEINGS ARE ADDRESSED?**

Council is committed to consider the economic, social, environmental and cultural implications of any issue as basis for its decision in its macro and micro decision-making. This is not only done as part of the long term plan but will also be mirrored in any decision Council takes including decisions under delegated authority.

**[1.9] HOW WILL COUNCIL DEVELOP MAORI CAPACITY TO CONTRIBUTE TO DECISION-MAKING?**

Council recognises that western governance processes are distinctly different from that of traditional Maori and that this may have an impact on Maori participation in local decision-making. Council is committed to overcoming this by -

- consulting with both local Iwi and other local Maori to make the consultation inclusive.
- consulting with both parties on ways in which Maori capacity development can improve participation.
- to undertake such consultation in the manner to be agreed upon with Iwi and Maori.

Note: Community Outcomes must be consulted on at least once every six years. Council consulted on the outcomes in late 2003 and will be re-consulting on them prior to the next Long Term Community Outcomes Plan in 2009.

# [2] achieving the outcomes

Council contributes towards the achievement of the community outcomes by undertaking the following activities. Activities may contribute partly to other outcomes as illustrated in the following table. The right hand column illustrates to which group of activities that each activity belongs.

ACTIVITY	Outcome One A District Enjoying Quality Affordable Essential Services	Outcome Two A Thriving Local Economy, Creating Opportunity	Outcome Three Access To Quality Medical Services	Outcome Four An Attractive District Where Residents Want To Be	Outcome Five An Active Partnership Between Council & Our Community	Outcome Six Law, Order, Personal And Property Safety	Outcome Seven Affordable Access To Quality Education	Outcome Eight Good Social Development	Significant Activity Group where reported in this document
Roading	✓	✓		✓		✓			Roading
Stormwater	✓	✓		✓		✓			Stormwater & Flood Protection
Flood Protection	✓	✓		✓		✓			Stormwater & Flood Protection
Sewerage	✓	✓		✓		✓			Sewerage
Water	✓	✓		✓		✓			Water Supply
Refuse	✓	✓		✓		✓			Refuse Collection & Disposal
West Coast Rural Fire Authority							✓		Rural Fire Authority
Economic Development	✓	✓	✓	✓					Economic Development
Property	✓	✓		✓		✓			Property & Housing
Parking	✓	✓		✓		✓			Property & Housing
Retirement Housing	✓	✓		✓		✓			Property & Housing
Airport	✓	✓		✓		✓			Community Services & Facilities
Civic Centre				✓					Community Services & Facilities
Libraries				✓					Community Services & Facilities
Reserves				✓					Community Services & Facilities
Rest Rooms and Public Conveniences				✓					Community Services & Facilities
Swimming Baths				✓					Community Services & Facilities
Events and Recreation Management				✓					Community Services & Facilities
Canteens				✓					Community Services & Facilities
Council's In-House Task Force				✓					Community Services & Facilities
Arts, Culture and Heritage				✓					Community Services & Facilities
Emergency Management and Civil Defence				✓					Community Services & Facilities
Council	✓	✓	✓	✓	✓	✓			Civil Defence
Northern Ward Community Board	✓	✓	✓	✓	✓	✓		✓	Democracy
Effective and Open Consultation	✓	✓	✓	✓	✓	✓		✓	Democracy
Council's Administration	✓	✓	✓	✓	✓	✓		✓	Democracy
Planning				✓					Administration
Amenity Management				✓					Administration
Access to Official Information				✓					Environmental Services
Health Regulation				✓					Environmental Services
Building Control				✓					Environmental Services
Dog and Stock Control				✓					Environmental Services
Co-operation with WC DHB & others				✓					Environmental Services
Co-Operation with New Zealand Police...			✓	✓		✓		✓	Liaison with other Agencies
Restorative Justice				✓		✓			Liaison with other Agencies
Education - Co-Op with Relevant Providers				✓		✓			Liaison with other Agencies
	✓								
	✓								

Outcome that the activity **primarily** relates to  
Other Outcomes to which the activity contributes

## **[D] groups of activities**



# [1] roading

## [1.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Roading

## [1.2] RATIONALE FOR GROUPING

This is the most significant cost activity managed by Council and is dealt with on a stand-alone basis.

## [1.3] 2007/08 PERFORMANCE MEASURES

Performance measures relate to more than one specific outcome. The layout used was chosen for purposes of convenience only and does not reflect this interrelationship.

### Performance Measure: Efficient and responsible management of the roading activity

Outputs:	Measurement:
<b>Operational:</b>	
Emergency Work <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Delays of no longer than 1 hour plus normal travelling time from Depot to site</li> <li>▪ Delays of no longer than 2 hours plus normal travelling time from Depot to site</li> </ul>
Drainage Channels Maintenance	<ul style="list-style-type: none"> <li>▪ Within 14 days of issues being identified</li> </ul>
Cleaning and Repair of Stormwater Structures <ul style="list-style-type: none"> <li>▪ Maintenance</li> <li>▪ Blockages</li> </ul>	<ul style="list-style-type: none"> <li>▪ Within 10 days of need being identified</li> <li>▪ Within 2 days of blockage being identified</li> </ul>
Pothole Repairs <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Within 3 days of being noticed/reported</li> <li>▪ Within 8 days of being noticed/reported</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas</li> </ul>
Completion of roading upgrades associated with the Pike River Coal Company development.	100% in compliance with agreement between Council and Pike River Coal Company and within budgeted amounts.
Controlling total costs within available budgets	<ul style="list-style-type: none"> <li>▪ +/- 5%</li> </ul>
Contribution from developers for new capital	<ul style="list-style-type: none"> <li>▪ For upgrades of existing assets a linear contribution calculated on the increased traffic volume that will be generated as set through the resource consent process.</li> <li>▪ New assets per the financial policy under the District Plan.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating</li> </ul>

### Performance Measure: Safety of users

Outputs:	Measurement:
<b>Operational:</b>	



Outputs:	Measurement:
Emergency Work <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Delays of no longer than 1 hour plus normal travelling time from Depot to site</li> <li>▪ Delays of no longer than 2 hours plus normal travelling time from Depot to site</li> </ul>
Maintenance	<ul style="list-style-type: none"> <li>▪ Within 10 days of need being identified</li> </ul>
Pothole Repairs <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Within 3 days of being noticed/reported</li> <li>▪ Within 8 days of being noticed/reported</li> </ul>
Notice of planned closures for work	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas</li> </ul>

Outputs:	Measurement:
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating</li> </ul>
Compliance with statutory requirements.	<ul style="list-style-type: none"> <li>▪ Road conditions contributing to accidents less than 5%</li> </ul>

**Performance Measure: Convenience of users**



Outputs:	Measurement:
<b>Operational:</b>	
Emergency Work <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Delays of no longer than 1 hour plus normal travelling time from depot to site</li> <li>▪ Delays of no longer than 2 hours plus normal travelling time from depot to site</li> </ul>
Maintenance	<ul style="list-style-type: none"> <li>▪ Minimum 60% of sealed roads with a measured roughness of less than 80 NAASRA<sup>1</sup> counts.</li> <li>▪ Maximum 10% of sealed roads with a measured roughness of greater than 150 NAASRA counts.</li> <li>▪ Unsealed roads graded once per year if required.</li> </ul>
Pothole Repairs <ul style="list-style-type: none"> <li>▪ Arterial and Major Collector Roads</li> <li>▪ All Other Roads</li> </ul>	<ul style="list-style-type: none"> <li>▪ Within 3 days of being noticed/reported</li> <li>▪ Within 8 days of being noticed/reported</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating</li> </ul>

**Performance Measure: Encouraging active transport practices**

<sup>1</sup> NAASRA

Road roughness is measured by a system developed by the former National Association of Australian State Roading Authorities (NAASRA). Values are obtained by a special-purpose vehicle travelling down both outside lanes of the length of a road. The rougher the road, the higher the NAASRA counts per lane kilometre.







Budget 2006/07 \$	ROADING SIGNIFICANT CAPITAL EXPENDITURE	Adopted Budget 2007/08 \$	LTCCP Budget \$
1,766,621	Roading Renewals - Financially Assisted	2,536,735	1,907,627
76,873	Footpath Renewals-No Financial Assistance	114,023	80,704
-	Moonlight Ck Bridge Strengthening*	568,016	502,040
-	Slow Vehicle Bay-Atarau/BlckBall/Tylvle*	114,000	114,100
-	Bridge 2 Laning -Kumukau & Lees Stream*	372,040	354,978
-	Edge Wide&Strength-BBall Tylvle Rd*	578,496	-
-	Edge Wide&Strength-Atarau Rd*	456,928	403,914

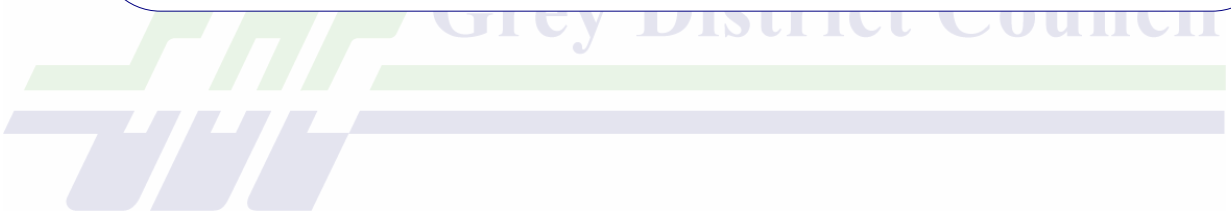
\* - associated with the Pike River Coal Company (PRCC) development. The share of the costs payable by PRCC has been shown as a 'User Charge' revenue source. The work also receives financial assistance from Land Transport New Zealand.

#### VARIATIONS from the 2006 – 16 Long Term Community Outcomes Plan:

- The widening and strengthening of Blackball Taylorville has been brought forward from the 2008/09 financial year to the 2007/08 year. This is per the Environment Court decision for the Pike River Coal Company consent. As well as increasing the capital expenditure, this increases the financial assistance received (subsidies and donations) and contribution received from Pike River Coal Company (user charge).

Council is funding its share of the costs from loans, to be repaid over 10 years. It was signalled in the Long Term Plan that a contribution would be made to an upgrade of Otututu Bridge (to be loan funded) which has been deferred to see if required at all.

- There has been some re-allocation of costs between operating and maintenance items and renewal items.



## [2] stormwater & flood protection

### [2.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Stormwater
- Flood Protection

### [2.2] RATIONALE FOR GROUPING

The two activities interact strongly, both strategically and operationally with significant overlapping.

### [2.3] 2007/08 PERFORMANCE MEASURES

Performance measure: Efficient management of the stormwater activity.

Outputs:	Measurement:
<b>Strategic:</b>	
Po-active identification, assessment, prioritisation and costing of District stormwater needs.	<ul style="list-style-type: none"> <li>▪ Developing and maintaining a ten year District needs plan by December 2007.</li> <li>▪ Removing one remaining area of surface water ponding p.a.</li> </ul>
Ensuring that private drains in the District are maintained.	<ul style="list-style-type: none"> <li>▪ Identification of private drains by December 2007.</li> <li>▪ Implementation of an effective monitoring programme by July 2008.</li> </ul>
<b>Operational:</b>	
Stormwater and public drains. <ul style="list-style-type: none"> <li>▪ Emergency work.</li> <li>▪ Major blockages/Failures.</li> <li>▪ Incidents of ponding (rain events within design capacity).</li> <li>▪ Properties flooded (rain events within design capacity).</li> <li>▪ Buildings flooded (rain events within design capacity).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attended within 3 hours of report.</li> <li>▪ Attended within 1 day of report.</li> <li>▪ 15 p.a. and reducing.</li> <li>▪ Less than 5 p.a.</li> <li>▪ Nil.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Service provision where secondary flow paths exist.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All new and renewed stormwater systems provided to cope with a 1 in 5 year return period storm, with the exception of the Greymouth CBD stormwater system which is designed to cope with an annual return period storm (The Greymouth CBD stormwater system is designed to be compatible with the maximum pumping capacity of the Greymouth Flood Protection Scheme flood pumps).</li> </ul>
<ul style="list-style-type: none"> <li>▪ Service provision where secondary flow paths do not exist.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All new and renewed stormwater systems provided to cope with a 1 in 100 year return period storm.</li> </ul>
Control over total cost.	<ul style="list-style-type: none"> <li>▪ 100%.</li> </ul>
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>▪ Minimum 90%.</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas.</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas.</li> </ul>
Maintain drainage systems in accordance with resource consents.	<ul style="list-style-type: none"> <li>▪ All systems to comply 100% with relevant consents.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>



**Performance measure: Effective flood protection.**

Outputs:	Measurement:
<b>Operational:</b>	
Attendance of Joint Floodwall Committee meetings.	▪ 100%
Frequency of Joint Floodwall Committee meetings.	▪ Minimum once p.a.
Attendance to Council responsibilities re land drainage. <ul style="list-style-type: none"> <li>▪ Emergency.</li> <li>▪ Other.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attended within 3 hours of report.</li> <li>▪ Attended within 1 day of report.</li> </ul>
Notice of planned road closures for work.	▪ 24 hours notice to affected areas.
<b>Governance:</b>	
Compliance with public expectations.	▪ 75% satisfaction rating.

## [2.4] FINANCIAL INFORMATION

### 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	STORMWATER & FLOOD PROTECTION INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
-	Employee costs	-	-
(45,859)	Support costs	(57,946)	(47,268)
(245,189)	Operating & maintenance costs	(243,682)	(265,164)
(10,378)	Interest expense	(9,978)	(21,055)
(372,884)	Depreciation	(374,094)	(378,326)
<b>(674,310)</b>		<b>(685,700)</b>	<b>(711,813)</b>
	<b>Revenue:</b>		
-	User charges	-	-
21,060	Other revenue	21,902	21,924
-	Subsidies/donations	-	-
-	Internal recoveries	-	-
-	Rates - UAGC	-	-
486,540	Rates - General	490,939	536,050
-	Rates - Targeted	-	-
<b>507,600</b>		<b>512,841</b>	<b>557,974</b>
<b>(166,710)</b>	<b>Net Surplus/(Deficit)</b>	<b>(172,859)</b>	<b>(153,839)</b>
Budget 2006/07 \$	STORMWATER & FLOOD PROTECTION CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Capital items:</b>		
(176,210)	Renewal works	(275,983)	(186,127)
(240,203)	New capital	(2,519)	(255,266)
(21,060)	Assets vested (no expenditure required)	(21,902)	(21,924)
(5,008)	Debt principal repayments	(5,408)	(10,754)
-	Funding of reserves	-	-
-	Internal transfers	-	-
<b>(442,481)</b>		<b>(305,812)</b>	<b>(474,071)</b>
	<b>Funded by:</b>		
135,753	add new loans raised	-	144,904
100,554	add funding from reserves	104,577	104,680
-	Transfer from Ratepayer Equity	-	-
372,884	add depreciation	374,094	378,326
(166,710)	add/(deduct) Surplus/(Deficit) carried forward	(172,859)	(153,839)
-		-	-

## 2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2006/07 \$	STORMWATER & FLOOD PROTECTION SIGNIFICANT CAPITAL EXPENDITURE	Adopted Budget 2007/08 \$	LTCCP Budget \$
178,998	General Renewals	164,637	189,130
97,013	General New Capital Ex	109,015	102,504
-	New Pump Station - Saltwater Creek	-	144,904

**VARIATIONS from the 2006 – 16 Long Term Community Outcomes Plan:**

- An increase of funds has been allocated to renewal work, with an associated reduction in new capital works (overall there has been a slight reduction in the total of these two categories).
- The new pump station signalled for Saltwater Creek has been deferred pending further advice from the West Coast Regional Council as to need. Note the revised budget required for this project is \$216,000.





## [3] sewerage

### [3.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Sewerage

### [3.2] RATIONALE FOR GROUPING

Even though there are synergies with other activities, i.e. health promotion, this is an important cost activity and community focus and is dealt with on a stand-alone basis.

### [3.3] 2007/08 PERFORMANCE MEASURES

Performance measure: Efficient management of the sewerage activity.

Outputs:	Measurement:
<b>Operational:</b>	
Sewerage systems. <ul style="list-style-type: none"> <li>▪ Emergency Work ( outages, broken pipes)</li> <li>▪ Blockages.</li> <li>▪ New connections.</li> <li>▪ Availability of service.</li> <li>▪ Overflow events.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Attended within 1 hour of report.</li> <li>▪ Attended within 3 hours of report.</li> <li>▪ Within 10 days of request.</li> <li>▪ 100%.</li> <li>▪ Maximum of 10 per annum in 2006/07 and reducing thereafter.</li> </ul>
Connection of properties using on-site disposal systems, where able to be connected to a Council sewerage reticulation scheme.	<ul style="list-style-type: none"> <li>▪ All applicable properties in Paroa/South Beach connected by 30 June 2008.</li> </ul>
Upgrade Greymouth sewerage scheme.	<ul style="list-style-type: none"> <li>▪ Completed by 30 June 2014.</li> <li>▪ Budgeted Capital Works per annum completed to within 15%.</li> </ul>
Construct new reticulated sewerage schemes when local communities agree to fund their share of the cost.	<ul style="list-style-type: none"> <li>▪ Blackball – by 30 June 2007.</li> <li>▪ Te Kinga – by 30 June 2007.</li> <li>▪ Boddytown – by 30 June 2007.</li> <li>▪ Dobson and Kaiata – by 30 June 2009.</li> <li>▪ Rapahoe – by 30 June 2011.</li> </ul>
Notice of planned closures for work.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

Performance measure: Mitigate environmental impacts.

Outputs:	Measurement:
<b>Operational:</b>	
Environmental compliance per waste treatment scheme. <ul style="list-style-type: none"> <li>▪ Resource consent compliance regarding effluent discharge quality.</li> <li>▪ Complaints of odours.</li> <li>▪ Other complaints.</li> </ul>	<ul style="list-style-type: none"> <li>▪ More than 90% compliance.</li> <li>▪ Maximum 5 p.a.</li> <li>▪ Maximum 20 p.a.</li> </ul>
<b>Governance:</b>	

Compliance with public expectations.

▪ 75% satisfaction rating.

**[3.4] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

## 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	SEWERAGE INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
-	Employee costs	-	-
(44,382)	Support costs	(46,678)	(47,041)
(304,920)	Operating & maintenance costs	(376,441)	(343,144)
(95,053)	Interest expense	(91,204)	(110,059)
(476,514)	Depreciation	(505,481)	(528,209)
<b>(920,869)</b>		<b>(1,019,804)</b>	<b>(1,028,453)</b>
	<b>Revenue:</b>		
201,945	User charges	998,374	237,629
278,436	Other revenue	10,951	234,807
1,694,000	Subsidies/donations	1,333,333	1,333,333
-	Internal recoveries	-	-
-	Rates - UAGC	-	-
-	Rates - General	-	-
1,321,062	Rates - Targeted	1,418,744	1,404,842
<b>3,495,443</b>		<b>3,761,402</b>	<b>3,210,611</b>
<b>2,574,574</b>	<b>Net Surplus/(Deficit)</b>	<b>2,741,598</b>	<b>2,182,158</b>
Budget 2006/07 \$	SEWERAGE CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Capital items:</b>		
(167,583)	Renewal works	(174,288)	(174,458)
(4,082,493)	New capital	(2,925,956)	(2,788,757)
(10,530)	Assets vested (no expenditure required)	(10,951)	(10,962)
(214,953)	Debt principal repayments	(6,259)	(6,265)
(113,337)	Funding of reserves	(235,351)	(235,351)
(123,449)	Internal transfers	(161,368)	(161,368)
<b>(4,712,345)</b>		<b>(3,514,173)</b>	<b>(3,377,161)</b>
	<b>Funded by:</b>		
402,385	add new loans raised	13,394	666,794
1,258,872	add funding from reserves	253,700	-
-	Transfer from Ratepayer Equity	-	-
476,514	add depreciation	505,481	528,209
2,574,574	add/(deduct) Surplus/(Deficit) carried forward	2,741,598	2,182,158
-		-	-

## 2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2006/07 \$	SEWERAGE SIGNIFICANT CAPITAL EXPENDITURE	Adopted Budget 2007/08 \$	LTCCP Budget \$
14,109	General Renewals	14,673	668,087
2,210,094	Greymouth Scheme Upgrade	2,135,356	2,135,356

**VARIATIONS from the 2006 – 16 Long Term Community Outcomes Plan:**

- Provision for an upgrade to the wastewater treatment plant at **Moana** has been deferred until the 2008/09 financial year. This is to give Council additional time to assess the quantity and impact of future development, so a better assessment can be made as to where the costs of the scheme upgrade should fall. Note that full community consultation shall be undertaken prior to any commitment for an upgraded scheme being finalised.

The financial impacts of this reflected in the budgets are:

- Decrease in *New Capital* of **\$653,400**;
- Decrease in *New Loans Raised* of **\$653,400**;

**NOTE** that the updated estimate for the Moana Wastewater Treatment plant upgrade is **\$1,716,000**, compared with \$653,400 contained in the Long Term Community Outcomes Plan. The movement in the estimated cost is based on additional capacity forecast and more up to date information being available on likely construction costs. Council has clearly signalled that these upgrades are contingent on the community consultation identifying that this is the desired solution.





# [4] water supply

## [4.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Water Supply

## [4.2] RATIONALE FOR GROUPING

This is an important cost activity and community focus and is dealt with on a stand-alone basis.

## [4.3] 2007/08 PERFORMANCE MEASURES

Performance measure: Efficient management of the water activity.

Outputs:	Measurement:
<b>Strategic:</b>	
Pro-active identification, assessment, prioritisation and costing of District water needs.	<ul style="list-style-type: none"> <li>▪ Maintaining a current ten year District needs plan.</li> <li>▪ For capital works decision-making based on alternatives and the cost-benefit of each as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>
<b>Operational:</b>	
Emergency work (pipe breakages, pump outages).	<ul style="list-style-type: none"> <li>▪ Attended within 2 hours of report.</li> </ul>
Major pipe breaks/leaks.	<ul style="list-style-type: none"> <li>▪ Attended within 2 hours of report.</li> </ul>
New connections.	<ul style="list-style-type: none"> <li>▪ Within 5 days of request.</li> </ul>
Availability of service.	<ul style="list-style-type: none"> <li>▪ 85%.</li> </ul>
Unaccountable water.	<ul style="list-style-type: none"> <li>▪ Greymouth area – 10%.</li> <li>▪ Runanga-Rapahoe – 15%.</li> <li>▪ Stillwater – 5%.</li> <li>▪ Dobson-Taylorville – 15%.</li> <li>▪ Blackball – 5%.</li> </ul>
Storage capacity.	<ul style="list-style-type: none"> <li>▪ Greymouth – 12 Hours.</li> <li>▪ All other schemes – 24Hours.</li> </ul>
Upgrade quality on existing schemes, subject to the standards being mandated by central Government.	<ul style="list-style-type: none"> <li>▪ Filtration plant on Coal Creek Plant by 30 June 2010.</li> <li>▪ Filtration on other schemes by 30 June 2011.</li> </ul>
Construct new reticulated water schemes when local communities agree to fund their share of the cost.	<ul style="list-style-type: none"> <li>▪ Moana – by 30 June 2007.</li> <li>▪ Boddytown – by 30 June 2008.</li> </ul>
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>▪ Minimum 80%.</li> </ul>
Notice of planned disruptions.	<ul style="list-style-type: none"> <li>▪ 24 hours notice to affected areas.</li> </ul>
Capacity of all schemes to be adequate for fire fighting purposes.	<ul style="list-style-type: none"> <li>▪ Renew Runanga trunk main and main to Rapahoe by 30 June 2007.</li> <li>▪ Upgrade Blackball scheme by 30 June 2014.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 80% satisfaction rating.</li> </ul>



**Performance measure: Maintaining high quality of water.**

Outputs:	Measurement:
<b>Strategic:</b>	
Meeting legislative requirements.	<ul style="list-style-type: none"> <li>Full compliance with legislative requirements re health and aesthetic quality.</li> </ul>
Meeting public requirements.	<ul style="list-style-type: none"> <li>80% satisfaction rating.</li> </ul>
Integrating private schemes into district water supply profile.	<ul style="list-style-type: none"> <li>Annual assessment of private water supplies in keeping with the water and wastewater review.</li> </ul>
<b>Operational:</b>	
Compliance with Drinking Water standards (refer table below for water grading).	<ul style="list-style-type: none"> <li>Greymouth area -Ab (after filtration upgrade).</li> <li>Runanga-Rapahoe- Bc.</li> <li>Stillwater – Bc.</li> <li>Dobson-Taylorville – Bb.</li> <li>Blackball – Bb.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>80% satisfaction rating.</li> </ul>

Source & Treatment Plant Grading	Distribution System Grading	Risk Level	Means
A1	NA	Very Low	Completely satisfactory Demonstrably high quality.
A	(a)	Very Low	Completely satisfactory.
B	(b)	Low	Satisfactory.
C	(c)	Moderate	Marginal.
D	(d)	High	Unsatisfactory.
E	(e)	Very High	Completely unsatisfactory.

## [4.4] FINANCIAL INFORMATION

### 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	WATER SUPPLY INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
-	Employee costs	-	-
(70,878)	Support costs	(77,103)	(73,865)
(636,375)	Operating & maintenance costs	(720,323)	(682,405)
(268,367)	Interest expense	(277,140)	(449,185)
(350,320)	Depreciation	(353,755)	(369,886)
<b>(1,325,940)</b>		<b>(1,428,321)</b>	<b>(1,575,341)</b>
	<b>Revenue:</b>		
-	User charges	-	102,467
10,530	Other revenue	10,951	10,962
-	Subsidies/donations	-	-
-	Internal recoveries	-	-
-	Rates - UAGC	-	-
-	Rates - General	-	-
1,253,349	Rates - Targeted	1,421,662	1,453,485
<b>1,263,879</b>		<b>1,432,613</b>	<b>1,566,914</b>
<b>(62,061)</b>	<b>Net Surplus/(Deficit)</b>	<b>4,292</b>	<b>(8,427)</b>

Budget 2006/07 \$	WATER SUPPLY CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Capital items:</b>		
(558,980)	Renewal works	(903,265)	(415,998)
(315,144)	New capital	(44,944)	(2,272,253)
(10,530)	Assets vested (no expenditure required)	(10,951)	(10,962)
(42,009)	Debt principal repayments	(47,261)	(67,002)
(6,181)	Funding of reserves	(6,305)	(6,305)
-	Internal transfers	-	-
<b>(932,844)</b>		<b>(1,012,726)</b>	<b>(2,772,520)</b>
	<b>Funded by:</b>		
233,235	add new loans raised	156,261	2,383,485
411,350	add funding from reserves	498,418	27,576
-	Transfer from Ratepayer Equity	-	-
350,320	add depreciation	353,755	369,886
(62,061)	add/(deduct) Surplus/(Deficit) carried forward	4,292	(8,427)
-		-	-

### 2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2006/07 \$	WATER SUPPLY SIGNIFICANT CAPITAL EXPENDITURE	Adopted Budget 2007/08 \$	LTCCP Budget \$
245,749	General Renewals	289,886	263,256
-	General New Capital	197,591	197,778
11,424	Cobden Bridge Main Replacement	12,167	12,179
-	Moana Water Scheme - New	-	1,993,626

**VARIATIONS from the 2006 – 16 Long Term Community Outcomes Plan:**

- Provision for a new reticulated water supply in **Moana** has been deferred until the 2008/09 financial year. This is to give Council additional time to assess the quantity and impact of future development, so a better assessment can be made as to where the costs of this new scheme should fall. Note that full community consultation shall be undertaken prior to any commitment for a new scheme being finalised.

The financial impacts of this reflected in the budgets are:

- Decrease in *New Capital* of **\$1,993,626**;
  - Decrease in *New Loans Raised* of **\$1,993,626**;
  - Decrease in *Interest expense* of **\$154,001** relating to the above loan.
- 
- Operating and maintenance costs \$38,000 higher than forecast in the Long Term Community Outcomes Plan. This is mainly due to increases for electricity being higher than anticipated. Please refer to the rates set for **water supply** on page 82 for the impact this has on rates.
- 
- An additional **\$86,275** has been funded from reserves, which relates to funds specifically set aside for the Cobden Bridge Main Replacement.



# [5] refuse collection & disposal

## [5.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Refuse Collection and Disposal

## [5.2] RATIONALE FOR GROUPING

This is an important cost activity and community focus and is dealt with on a stand-alone basis.

## [5.3] 2007/08 PERFORMANCE MEASURES

Performance measure: Efficient management of the refuse activity.

Outputs:	Measurement:
<b>Operational:</b>	
Collection <ul style="list-style-type: none"> <li>▪ Bags collected.</li> <li>▪ Frequency of service.</li> <li>▪ Availability of service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2 per property (refer amendment to Long Term Community Outcomes Plan below).</li> <li>▪ Once per week, except Greymouth central business district which is twice per week.</li> <li>▪ Once per week on designated days.</li> </ul>
Disposal. <ul style="list-style-type: none"> <li>▪ McLeans Landfill open during consented hours.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> </ul>
General <ul style="list-style-type: none"> <li>▪ % of budgeted capital programme completed within budget year.</li> <li>▪ Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimum 80%.</li> <li>▪ Maximum 50 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>



**AMENDMENT from the 2006 – 16 Long Term Community Outcomes Plan:**

(refer section [B] amendments to the long term plan, page 10)

Council's Long Term Community Outcomes Plan signalled that **4** refuse bags would be collected per property, per collection, for those properties that are on the collection route and pay the targeted rate.

This has been amended to a limit of **2** per property per collection. This will be controlled by the use of a 'tag system', with the following criteria:

- Ratepayers who are within the collection route will continue to pay a targeted rate;
- These ratepayers will receive 104 appropriately marked tags per annum (2/week) to attach to their refuse bag;
- Those who wish to put out in excess of 104 per annum will have the ability to purchase additional tags at a cost of **\$1.80** each.

**Note:**

- More than 2 bags per week can be placed out for collection. Users will pay (or have to use an alternative) if they want to use in excess of their 104 tags for the year.
- Those properties in the Central Business District, where refuse is collected twice weekly, will receive 208 tags. These properties currently, and will continue to, pay a higher targeted rate.

Council is facing increasing costs associated with the operation of the district landfill, as well as costs associated with the refuse collection contract. This measure has been introduced to limit the costs that are passed onto the ratepayer and instead accentuate the 'exacerbator pays' principal (refer rates for refuse collection on page 82).

It is noted that currently less than 2 bags per property are placed out per week on average. This means that the majority of ratepayers will receive the same level of service for no additional charge. Those who create the heavier demand will incur the additional costs.

Performance measure: Managing environmental effects.

Outputs:	Measurement:
<b>Operational</b>	
Complaints re spillage during collection and transport to McLeans Landfill.	▪ Maximum 15 p.a.
Compliance with discharge permit conditions for closed landfills.	▪ 80%.
Compliance with discharge permit conditions for McLeans Landfill.	▪ 100%.
<b>Governance:</b>	
Compliance with public expectations.	▪ 75% satisfaction rating.

## [5.4] FINANCIAL INFORMATION

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

### 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	REFUSE INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
-	Employee costs	-	-
(75,490)	Support costs	(75,839)	(75,113)
(767,862)	Operating & maintenance costs	(807,479)	(770,655)
(156,493)	Interest expense	(151,456)	(151,456)
(147,603)	Depreciation	(148,531)	(148,244)
<b>(1,147,448)</b>		<b>(1,183,305)</b>	<b>(1,145,468)</b>
	<b>Revenue:</b>		
153,092	User charges	188,442	160,096
-	Other revenue	-	-
-	Subsidies/donations	-	-
-	Internal recoveries	-	-
-	Rates - UAGC	-	-
323,407	Rates - General	312,370	291,146
612,788	Rates - Targeted	630,214	641,277
<b>1,089,287</b>		<b>1,131,026</b>	<b>1,092,519</b>
<b>(58,161)</b>	<b>Net Surplus/(Deficit)</b>	<b>(52,279)</b>	<b>(52,949)</b>
Budget 2006/07 \$	REFUSE CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Capital items:</b>		
(6,280)	Renewal works	(15,451)	(6,475)
(9,705)	New capital	(9,996)	(10,006)
-	Assets vested (no expenditure required)	-	-
(63,137)	Debt principal repayments	(68,175)	(68,174)
(10,320)	Funding of reserves	(10,630)	(10,640)
-	Internal transfers	-	-
<b>(89,442)</b>		<b>(104,252)</b>	<b>(95,295)</b>
	<b>Funded by:</b>		
-	add new loans raised	-	-
-	add funding from reserves	8,000	-
-	Transfer from Ratepayer Equity	-	-
147,603	add depreciation	148,531	148,244
(58,161)	add/(deduct) Surplus/(Deficit) carried forward	(52,279)	(52,949)
-		-	-

### 2. SIGNIFICANT CAPITAL EXPENDITURE

NIL

#### VARIATIONS from the 2006 – 16 Long Term Community Outcomes Plan: (apart from the amendment outlined above)

- Council **has not** included in the budget the 'Heavy Trash Collection'. This was provided once per annum, with an additional annual budget of **\$30,000** required if it is to continue. This would be funded from the general rate charged against all properties.



# [6] rural fire authority

## [6.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Rural Fire Authority

## [6.2] RATIONALE FOR GROUPING

This activity is delivered as a joint regional initiative and cannot effectively be integrated into any of Council's other activities. Having said this, there is potential for this activity to be combined with Civil Defence and Emergency Management or, as a minimum, a service delivery arrangement to be agreed, subject to regional agreement and approval by the New Zealand Fire Service and the Crown Agency for Civil Defence and Emergency Management.

This plan does not provide for it as negotiations with stakeholders are still to commence. It is, however, identified as something that may come up during the planning period.

## [6.3] 2007/08 PERFORMANCE MEASURES

**Performance measure: Efficient management of the Rural Fire Service activity in consultation with other service providers.**

Outputs:	Measurement:
<b>Operational:</b>	
Joint Management. <ul style="list-style-type: none"> <li>▪ Attendance of WCRFA meetings.</li> <li>▪ Frequency of meetings.</li> <li>▪ Availability of service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ Four times a year.</li> <li>▪ 85%.</li> </ul>
Response. <ul style="list-style-type: none"> <li>▪ Response performance.</li> <li>▪ Response times from receipt of call-out to mobilisation, from mobilisation to actual arrival at the fire scene and from arrival at fire scene to time taken to declare fire out.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ 20 minutes from receipt of call to mobilisation.</li> <li>▪ 40 minutes from mobilisation to arrival at fire scene for first fire suppression response.</li> <li>▪ 6 hours from first fire suppression response to suppression and declare fire out.</li> </ul>
General <ul style="list-style-type: none"> <li>▪ % of budgeted capital programme completed within budget year.</li> <li>▪ Complaints about the service.</li> <li>▪ Numbers of permits issued annually and an assessment of where and what permits are being issued for, (e.g. vegetation clearance, back yard fires, bon fires (on the beach), other).</li> <li>▪ Number of wild fires with lives, property and other values injured, threatened or destroyed respectively; how fire suppressed, location, extent and probable cause plus costs of suppression.</li> <li>▪ Number of permitted fires that have got out of control, lives, property and other values injured, threatened or destroyed respectively, extent of fire, how fire suppressed and probable cause, plus costs of suppression.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimum 80%.</li> <li>▪ Maximum 20 p.a.</li> <li>▪ Minimum 500 permits.</li> <li>▪ Maximum 12 wild fires.</li> <li>▪ Maximum 3 out of control permitted fires.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>







# [7] economic development

## [7.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Economic Development Facilitation and Youth

## [7.2] RATIONALE FOR GROUPING

This activity is essentially a stand-alone focus area, even though virtually every other activity of Council and other local and regional promotional agencies add to it. It incorporates action initiated by Council itself and as part of other agencies.

## [7.3] 2007/08 PERFORMANCE MEASURES

Performance measure: Growing and diversifying the local economy further.

Outputs:	Measurement:
<b>Operational:</b>	
Creating opportunity. <ul style="list-style-type: none"> <li>▪ Developer access to Mayor and Chief Executive Officer.</li> <li>▪ Complaints re restrictive processes/policies.</li> <li>▪ Review of CBD expansion plan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Upon request or within 24 hours.</li> <li>▪ No more than 50 p.a.</li> <li>▪ By 30 June 2007.</li> </ul>
Funding facilitation. <ul style="list-style-type: none"> <li>▪ Applications to WCDT.</li> <li>▪ Applications to other funders.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 20 p.a.</li> <li>▪ 6 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

Performance measure: Working towards strengthening the regional economy

Outputs:	Measurement:
<b>Operational:</b>	
Regional economic development. <ul style="list-style-type: none"> <li>▪ Attendance of Mayors' forum meetings.</li> <li>▪ Compliance with Triennial Agreement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ 100%.</li> </ul>
WCDT representation/association. <ul style="list-style-type: none"> <li>▪ Attendance of WCDT meetings.</li> <li>▪ Consultation with WCDT on initiatives planned.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ 100%.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

**[7.4] FINANCIAL INFORMATION**

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

## 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	ECONOMIC DEVELOPMENT INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
(23,949)	Employee costs	-	(24,691)
(36,373)	Support costs	(38,380)	(36,913)
(165,852)	Operating & maintenance costs	(206,421)	(167,800)
-	Interest expense	-	-
(2,258)	Depreciation	(2,258)	(4,515)
<b>(228,432)</b>		<b>(247,059)</b>	<b>(233,919)</b>
	<b>Revenue:</b>		
-	User charges	-	-
-	Other revenue	-	-
-	Subsidies/donations	-	-
-	Internal recoveries	-	-
-	Rates - UAGC	-	-
41,533	Rates - General	37,533	43,829
156,564	Rates - Targeted	165,672	156,628
<b>198,097</b>		<b>203,205</b>	<b>200,457</b>
<b>(30,335)</b>	<b>Net Surplus/(Deficit)</b>	<b>(43,854)</b>	<b>(33,462)</b>
	<b>ECONOMIC DEVELOPMENT CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>		
	<b>Capital items:</b>		
-	Renewal works	-	-
(180,600)	New capital	-	-
-	Assets vested (no expenditure required)	-	-
-	Debt principal repayments	-	-
-	Funding of reserves	-	-
-	Internal transfers	-	-
<b>(180,600)</b>		<b>-</b>	<b>-</b>
	<b>Funded by:</b>		
-	add new loans raised	-	-
208,677	add funding from reserves	41,596	28,947
-	Transfer from Ratepayer Equity	-	-
2,258	add depreciation	2,258	4,515
(30,335)	add/(deduct) Surplus/(Deficit) carried forward	(43,854)	(33,462)
-		<b>-</b>	<b>-</b>

## 2. SIGNIFICANT CAPITAL EXPENDITURE

NIL



# [8] property & housing

## [8.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Property
- Parking
- Retirement Housing

## [8.2] RATIONALE FOR GROUPING

These activities are grouped together as property owned and/or administered by Council, including Harbour Board Endowment land.

## [8.3] 2007/08 PERFORMANCE MEASURES

### Performance measure: Efficient management of Council's land holdings

Outputs:	Measurement:
<b>Strategic:</b>	
Retaining land with a present or future strategic value.	<ul style="list-style-type: none"> <li>▪ Full assessment of strategically valuable land by October 2007.</li> <li>▪ Sale of 40% of surplus land per lists cleared for sale.</li> </ul>
Selling of surplus land.	
<b>Operational:</b>	
Land sales: <ul style="list-style-type: none"> <li>▪ Updated lists of property for sale.</li> <li>▪ Price to be achieved.</li> <li>▪ Retained land kept neat and tidy.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Three monthly.</li> <li>▪ The reserve price as determined from time to time.</li> <li>▪ 65%.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

### Performance measure: Safe and comfortable retirement housing.

Outputs:	Measurement:
<b>Strategic:</b>	
Efficient management of the activity.	<ul style="list-style-type: none"> <li>▪ 90% of users satisfied.</li> <li>▪ Repayment of debt at a minimum equivalent to 20 year table mortgage rate.</li> </ul>
<b>Operational:</b>	
Occupation rates.	<ul style="list-style-type: none"> <li>▪ Above 85%.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 5 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectation.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

## Performance measure: Convenient parking.

Outputs:	Measurement:
<b>Operational:</b>	
Available parking: <ul style="list-style-type: none"> <li>▪ Policing of Greymouth CBD.</li> <li>▪ Policing of Shakespeare St across from High School.</li> <li>▪ Policing of Tainui St across from Polytechnic.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 90% coverage on a weekly basis.</li> <li>▪ Once per month, or as required.</li> <li>▪ Once per week, or as required.</li> </ul>
General <ul style="list-style-type: none"> <li>▪ % of budgeted capital programme completed within budget year.</li> <li>▪ Complaints about the service (excluding infringement appeals).</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ Maximum 50 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

## [8.4] FINANCIAL INFORMATION

## 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	PROPERTY & HOUSING INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
(28,868)	Employee costs	(30,576)	(29,763)
(228,014)	Support costs	(237,288)	(231,973)
(470,022)	Operating & maintenance costs	(538,622)	(485,050)
(84,855)	Interest expense	(83,106)	(83,106)
(459,136)	Depreciation	(466,985)	(470,838)
<b>(1,270,895)</b>		<b>(1,356,577)</b>	<b>(1,300,730)</b>
	<b>Revenue:</b>		
763,149	User charges	687,973	770,655
356,502	Other revenue	330,478	330,802
2,095	Subsidies/donations	2,158	2,160
127,811	Internal recoveries	133,392	131,943
-	Rates - UAGC	8,112	-
55,453	Rates - General	52,447	56,487
-	Rates - Targeted	-	-
<b>1,305,010</b>		<b>1,214,560</b>	<b>1,292,047</b>
<b>34,115</b>	<b>Net Surplus/(Deficit)</b>	<b>(142,017)</b>	<b>(8,683)</b>



Budget 2006/07	PROPERTY & HOUSING CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
	<b>Capital items:</b>		
(25,635)	Renewal works	(14,461)	(48,354)
(596,833)	New capital	(480,559)	-
-	Assets vested (no expenditure required)	-	-
(21,931)	Debt principal repayments	(23,681)	(23,681)
(490,022)	Funding of reserves	(435,138)	(464,397)
-	Internal transfers	-	-
<b>(1,134,421)</b>		<b>(953,839)</b>	<b>(536,432)</b>
	<b>Funded by:</b>		
-	add new loans raised	-	-
641,170	add funding from reserves	628,871	74,277
-	Transfer from Ratepayer Equity	-	-
459,136	add depreciation	466,985	470,838
34,115	add/(deduct) Surplus/(Deficit) carried forward	(142,017)	(8,683)
-		-	-

2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2006/07	PROPERTY & HOUSING SIGNIFICANT CAPITAL EXPENDITURE	Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
-	Council Chambers Refit	480,557	-
518,270	Council Chambers Extension	-	-

**VARIATIONS from the 2006 – 16 Long Term Community Outcomes Plan:**

- The refit of Council chambers is in addition to the extension work programmed for 2006/07. This work was not signalled in the Long Term Community Outcomes Plan, as it was initially estimated that all the work would be accommodated within the 2006/07 budget. This accounts for \$480,557 additional *new capital* expenditure.

# [9] community services & facilities

## [9.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Airport
- Civic Centre
- Libraries
- Reserves
- Rest Rooms and Public Conveniences
- Swimming Baths
- Events and Recreation Management
- Cemeteries
- Council's In-House Task Force
- Arts, Culture and Heritage

## [9.2] RATIONALE FOR GROUPING

The above mentioned activities/services all contribute to wholeness of life in the District and are collectively dealt with as Community Services. Quality of life within any community relies on the availability and quality of community services hence Council's involvement.

## [9.3] 2007/08 PERFORMANCE MEASURES

Performance measure: A safe airport.

Outputs:	Measurement:
<b>Operational:</b>	
Fee recovery from land charges at airport	<ul style="list-style-type: none"> <li>▪ achieve at least estimated amount of \$18,540.</li> </ul>
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>▪ Minimum 90%.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 10 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

Performance measure: An efficient indoor sports centre.

Outputs:	Measurement:
<b>Operational:</b>	
General <ul style="list-style-type: none"> <li>▪ Access to facility.</li> <li>▪ Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100% of open hours.</li> <li>▪ Maximum 50 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>



Performance measure: Convenient, accessible libraries.

Outputs:	Measurement:
<b>Strategic:</b>	
Maintain a friendly, helpful and calm atmosphere where users can relax.	<ul style="list-style-type: none"> <li>Maintain a positive environment inviting users to visit.</li> </ul>
Maintain a quality book stock.	<ul style="list-style-type: none"> <li>35,000 books of which no more than 10% are older than 7 years.</li> </ul>
Making Pioneer Library accessible.	<ul style="list-style-type: none"> <li>Investigation report on potential amalgamation with History House collection by July 2007.</li> </ul>
<b>Operational:</b>	
Number of books.	<ul style="list-style-type: none"> <li>35,000.</li> </ul>
Currency of books.	<ul style="list-style-type: none"> <li>Maximum 10% older than 7 years.</li> </ul>
Availability of service.	<ul style="list-style-type: none"> <li>90% during advertised hours.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>Maximum 15 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Grey District Council

Performance measure: Well maintained parks and reserves.

Outputs:	Measurement:
<b>Operational:</b>	
General: <ul style="list-style-type: none"> <li>% of budgeted capital programme completed within budget year.</li> <li>Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>Minimum 80%.</li> <li>Maximum 20 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

Performance measure: Good, inviting rest rooms

Outputs:	Measurement:
<b>Operational:</b>	
Frequency of cleaning.	<ul style="list-style-type: none"> <li>Daily when open.</li> </ul>
% of budgeted capital programme completed within budget year.	<ul style="list-style-type: none"> <li>Minimum 80%.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>Maximum 30 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>



**Performance measure: Safe and comfortable swimming pools.**

Outputs:	Measurement:
<b>Strategic:</b>	
Replace the Greymouth Town Baths as soon as possible with an aquatic centre.	<ul style="list-style-type: none"> <li>▪ Finalise fund raising by June 2008.</li> <li>▪ Put in place designs and project management arrangements.</li> <li>▪ Manage existing baths as efficiently as possible.</li> </ul>
Redevelopment and New Roof - Runanga Baths.	<ul style="list-style-type: none"> <li>▪ Implement redevelopment by June 2007.</li> </ul>
<b>Operational:</b>	
Greymouth Baths: <ul style="list-style-type: none"> <li>▪ Number of incidents involving safety of bathers.</li> <li>▪ Compliance with Health and Safety regulations.</li> <li>▪ Frequency of service.</li> <li>▪ Availability of service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No more than 5 p.a.</li> <li>▪ 100%.</li> <li>▪ Sept – March.</li> <li>▪ 100% during advertised hours.</li> </ul>
Aquatic centre. <ul style="list-style-type: none"> <li>▪ Appointment of project manager and designers.</li> <li>▪ Conclude fundraising.</li> <li>▪ Construction of aquatic centre incorporating War Memorial facade.</li> </ul>	<ul style="list-style-type: none"> <li>▪ By July 2006.</li> <li>▪ By June 2008.</li> <li>▪ By November 2009.</li> </ul>
Runanga Baths. <ul style="list-style-type: none"> <li>▪ New roof and general renewal.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Completed for opening of the 2008/09 season (varied from the Long Term Plan, which had a target of June 2007).</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

**Performance measure: Exciting events and recreational activities.**

Outputs:	Measurement:
<b>Strategic:</b>	
<b>Operational:</b>	
Events <ul style="list-style-type: none"> <li>▪ Number of Events provided.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 10 p.a.</li> </ul>
Financial support. <ul style="list-style-type: none"> <li>▪ Provision on Annual Plans.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Annually.</li> </ul>
General <ul style="list-style-type: none"> <li>▪ Complaints about the service.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Maximum 10 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectation.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

Performance measure: High quality and aesthetically pleasing cemeteries.

Outputs:	Measurement:
<b>Operational:</b>	
Maintained and mowed to acceptable standard.	<ul style="list-style-type: none"> <li>▪ 90% p.a.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 50 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

Performance measure: Quality ad hoc service delivery by means of Council's In-house Task Force.

Outputs:	Measurement:
<b>Operational:</b>	
Response to call-out.	<ul style="list-style-type: none"> <li>▪ Within 48 hours of report.</li> </ul>
Properties maintained.	<ul style="list-style-type: none"> <li>▪ 25 p.a.</li> </ul>
Other tasks.	<ul style="list-style-type: none"> <li>▪ 300 p.a.</li> </ul>
Complaints about the service.	<ul style="list-style-type: none"> <li>▪ Maximum 50 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

Performance measure: Promotion of arts, culture and heritage.

Outputs:	Measurement:
<b>Operational:</b>	
History House. <ul style="list-style-type: none"> <li>▪ Number of visitors.</li> <li>▪ Accessibility of facility.</li> <li>▪ Quality of collection.</li> <li>▪ Complaints about the service.</li> <li>▪ Financial support - provision on annual plan.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 60 p.m.</li> <li>▪ 100% during advertised hours.</li> <li>▪ Maintained and expanded.</li> <li>▪ Maximum 10 p.a.</li> <li>▪ Annually.</li> </ul>
Joint Heritage Committee. <ul style="list-style-type: none"> <li>▪ Meetings.</li> <li>▪ Attendance.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 4 p.a.</li> <li>▪ 100%.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

**[9.4] FINANCIAL INFORMATION**

## 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	<b>COMMUNITY SERVICES INCOME STATEMENT</b>	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
(426,812)	Employee costs	(437,981)	(440,070)
(293,552)	Support costs	(306,811)	(295,701)
(959,960)	Operating & maintenance costs	(990,712)	(970,171)
(4,092)	Interest expense	(3,793)	(12,442)
(244,819)	Depreciation	(248,627)	(260,750)
<b>(1,929,235)</b>		<b>(1,987,924)</b>	<b>(1,979,134)</b>
	<b>Revenue:</b>		
204,121	User charges	197,758	211,938
-	Other revenue	-	-
164,046	Subsidies/donations	71,112	19,614
-	Internal recoveries	-	-
826,037	Rates - UAGC	635,688	893,851
650,803	Rates - General	908,608	710,351
-	Rates - Targeted	-	-
<b>1,845,007</b>		<b>1,813,166</b>	<b>1,835,754</b>
<b>(84,228)</b>	<b>Net Surplus/(Deficit)</b>	<b>(174,758)</b>	<b>(143,380)</b>

Budget 2006/07 \$	<b>COMMUNITY SERVICES CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Capital items:</b>		
(95,563)	Renewal works	(128,210)	(129,906)
(598,131)	New capital	(1,405,506)	(241,812)
-	Assets vested (no expenditure required)	-	-
(3,744)	Debt principal repayments	(4,043)	(11,956)
(86,987)	Funding of reserves	(87,483)	(87,962)
-	Internal transfers	-	-
<b>(784,425)</b>		<b>(1,625,242)</b>	<b>(471,636)</b>
	<b>Funded by:</b>		
54,180	add new loans raised	-	114,513
569,654	add funding from reserves	1,551,373	239,753
-	Transfer from Ratepayer Equity	-	-
244,819	add depreciation	248,627	260,750
(84,228)	add/(deduct) Surplus/(Deficit) carried forward	(174,758)	(143,380)
<b>-</b>		<b>-</b>	<b>-</b>

## 2. SIGNIFICANT CAPITAL EXPENDITURE

No significant capital additions.

**AMENDMENT from the 2006 – 16 Long Term Community Outcomes Plan:**

(refer section [B] amendments to the long term plan, page 10)

That Council considers the following projects for receipt of the Major District Initiative (MDI) funding that is available from the West Coast Development Trust.

- West Coast Theatre Trust – Regent Theatre Upgrade
- Rugby League West Coast
- West Coast Bowls
- Climbing Wall Trust
- Westurf
- West Coast Hockey
- Cobden Sports Complex
- West Coast Tennis Association
- Greymouth Golf Club

These are in addition to the proposed new Aquatic Centre.

The projects will be considered in full detail upon presentation of a suitable project plan to Council.



# [10] civil defence

## [10.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Emergency Management and Civil Defence

## [10.2] RATIONALE FOR GROUPING

In terms of more recent legislative changes this activity has developed a strong regional focus and is managed as a stand-alone activity. Notwithstanding, it is, when operational, staffed mainly by Council staff and integration with other Council activities is, therefore, a natural consequence.

## [10.3] 2007/08 PERFORMANCE MEASURES

Performance measure: A high level of preparedness to respond to disasters.

Outputs:	Measurement:
<b>Operational:</b>	
WCEM&CD Group. <ul style="list-style-type: none"> <li>▪ Meetings.</li> <li>▪ Attendance.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2 p.a.</li> <li>▪ 100%.</li> </ul>
Contact with Volunteers. <ul style="list-style-type: none"> <li>▪ Meetings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 2 p.a.</li> </ul>
General <ul style="list-style-type: none"> <li>▪ Training exercises.</li> <li>▪ Review of Civil Defence Plan and confirming contacts.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 1 p.a.</li> <li>▪ Once p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

## [10.4] FINANCIAL INFORMATION

### 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	CIVIL DEFENCE INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
(11,502)	Employee costs	(12,034)	(11,859)
(29,519)	Support costs	(30,771)	(29,965)
(5,160)	Operating & maintenance costs	(5,314)	(5,320)
-	Interest expense	-	-
-	Depreciation	-	-
<b>(46,181)</b>		<b>(48,119)</b>	<b>(47,144)</b>
	<b>Revenue:</b>		
-	User charges	-	-
-	Other revenue	-	-
568	Subsidies/donations	585	585
-	Internal recoveries	-	-
45,613	Rates - UAGC	47,534	46,559
-	Rates - General	-	-
-	Rates - Targeted	-	-
<b>46,181</b>		<b>48,119</b>	<b>47,144</b>
-	<b>Net Surplus/(Deficit)</b>	-	-

2. SIGNIFICANT CAPITAL EXPENDITURE

N/A



# [11] democracy

## [11.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Council
- Effective and Open Consultation

As the Northern Ward Community Board is to be disbanded post the 2007 election, there is no information contained in this annual plan. This was funded from a targeted rate in previous years.

## [11.2] RATIONALE FOR GROUPING

Council places a high premium on inclusive local Government and as such places a high premium on efficiency of public democracy as well as partnering with the community.

## [11.3] 2007/08 PERFORMANCE MEASURES

Performance measure: Through good governance, to provide in for needs of our District and its people.

Outputs:	Measurement:
<b>Operational:</b>	
Accessibility and responsiveness. <ul style="list-style-type: none"> <li>▪ Informal contact.</li> <li>▪ Council forum.</li> <li>▪ Speaking rights.</li> </ul>	<ul style="list-style-type: none"> <li>▪ At all reasonable hours.</li> <li>▪ Monthly upon booking of time.</li> <li>▪ 10 days notice.</li> </ul>
Accountability <ul style="list-style-type: none"> <li>▪ Audit report to press.</li> <li>▪ Annual report availability.</li> <li>▪ Council minutes accessibility( In-open).</li> <li>▪ Response to written inputs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Annually.</li> <li>▪ Free upon request.</li> <li>▪ During office hours.</li> <li>▪ Within 10 days of receipt.</li> </ul>
Transparency <ul style="list-style-type: none"> <li>▪ Decisions in-committee.</li> </ul>	<ul style="list-style-type: none"> <li>▪ No more than 10%.</li> </ul>
Good Order <ul style="list-style-type: none"> <li>▪ Member compliance with ethical rules.</li> <li>▪ Notice of meetings.</li> <li>▪ Following Standing Orders.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 100%.</li> <li>▪ 5 days.</li> <li>▪ 100%.</li> </ul>
Maori <ul style="list-style-type: none"> <li>▪ Meetings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Per Memorandum of Understanding.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

## [11.4] FINANCIAL INFORMATION

### 1. COST OF SERVICE STATEMENT



Budget 2006/07 \$	DEMOCRACY INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
-	Employee costs	-	-
(496,035)	Support costs	(507,583)	(507,303)
(340,738)	Operating & maintenance costs	(388,317)	(363,294)
-	Interest expense	-	-
(3,075)	Depreciation	(3,075)	(3,075)
<b>(839,848)</b>		<b>(898,975)</b>	<b>(873,672)</b>
	<b>Revenue:</b>		
-	User charges	18,602	18,620
680,000	Other revenue	550,000	730,000
-	Subsidies/donations	-	-
-	Internal recoveries	-	-
875,870	Rates - UAGC	994,630	974,417
-	Rates - General	-	-
74,623	Rates - Targeted	-	-
<b>1,630,493</b>		<b>1,563,232</b>	<b>1,723,037</b>
<b>790,645</b>	<b>Net Surplus/(Deficit)</b>	<b>664,257</b>	<b>849,365</b>

Budget 2006/07 \$	DEMOCRACY CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Capital items:</b>		
-	Renewal works	-	-
-	New capital	-	-
-	Assets vested (no expenditure required)	-	-
-	Debt principal repayments	-	-
(835,000)	Funding of reserves	(715,000)	(895,000)
-	Internal transfers	-	-
<b>(835,000)</b>		<b>(715,000)</b>	<b>(895,000)</b>
	<b>Funded by:</b>		
-	add new loans raised	-	-
41,280	add funding from reserves	47,668	42,560
-	Transfer from Ratepayer Equity	-	-
3,075	add depreciation	3,075	3,075
790,645	add/(deduct) Surplus/(Deficit) carried forward	664,257	849,365
-		-	-

Note: 'Other Revenue' is interest returned on 'Special Funds' which is transferred to the Special Funds.

## 2. SIGNIFICANT CAPITAL EXPENDITURE

N/A



# [12] administration

## [12.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Support Services
- Office of the CEO
- Finance and Information Technology
- Asset Management
- Technical Services
- Environmental Services Management

## [12.2] RATIONALE FOR GROUPING

The above represent Council's administration and are grouped together. The focus remains on keeping the associated cost implication as low as possible and the cost of total staff costs as percentage of total expenditure of 18% is appreciably lower than the New Zealand local Government average of 23%.

## [12.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

In 1997 Council undertook a formal management restructuring to ensure optimum efficiency of its executive function. The recommendations of the report could not be fully implemented for reasons of affordability and Council currently has four departments under the management of departmental managers and a Chief Executive Officer who has management control over a number of operational functions which cannot be incorporated under one or more of the departments.

The Chief Executive is responsible to Council for the efficient management of Council's administration, the execution of Council's decisions and policies, advice to Council and its structures including NWCB as well as a range of other functions. Departmental managers report to the Chief Executive Officer for the efficient management of their departments, the execution of Council and Chief Executive directives and policies and advise him on operational matters. There is a clear division between governance and administration and, whilst the Chief Executive and staff are prohibited to involve themselves in policy formulation, the Mayor and Councillors are prohibited from being actively involved in the administration.

## [12.4] 2007/08 PERFORMANCE MEASURES

**Performance measure: Full accountability to Council for all statutory functions, Council policies and decisions.**

Outputs:	Measurement:
<b>Strategic:</b>	
Implementation of Council's policies.	<ul style="list-style-type: none"> <li>▪ Execution of Council decisions, implementation of Council policies and processes.</li> </ul>
Quality advice to Council, NWCB, Council committees/subcommittees.	<ul style="list-style-type: none"> <li>▪ Providing well researched, considered advice supported by all practicable alternative solutions and likely cost and impacts of each.</li> </ul>
Execution of delegated authority.	<ul style="list-style-type: none"> <li>▪ Always acting positively and responsibly.</li> </ul>
Management of Council assets.	<ul style="list-style-type: none"> <li>▪ Management of assets with a view to extending their useful life whilst at the same time maintaining high levels of user safety.</li> </ul>
<b>Operational:</b>	
The Chief Executive is responsible to Council for all executive aspects of operations.	<ul style="list-style-type: none"> <li>▪ Compliance with performance measures expected from the Chief Executive Officer.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>
Chief Executive Compliance with performance expectations set by Council.	<ul style="list-style-type: none"> <li>▪ 100%.</li> </ul>



## [12.5] FINANCIAL INFORMATION

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

### 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	ADMINISTRATION INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
(2,430,619)	Employee costs	(2,604,303)	(2,505,940)
(243,256)	Support costs	(349,183)	(255,543)
(1,179,356)	Operating & maintenance costs	(1,248,352)	(1,183,274)
-	Interest expense	-	-
(222,390)	Depreciation	(274,280)	(229,206)
<b>(4,075,621)</b>		<b>(4,476,118)</b>	<b>(4,173,963)</b>
	<b>Revenue:</b>		
193,366	User charges	206,527	199,362
90,000	Other revenue	90,000	90,000
67,444	Subsidies/donations	96,351	83,661
3,664,595	Internal recoveries	4,034,772	3,747,188
-	Rates - UAGC	-	-
-	Rates - General	-	-
-	Rates - Targeted	-	-
<b>4,015,405</b>		<b>4,427,650</b>	<b>4,120,211</b>
<b>(60,216)</b>	<b>Net Surplus/(Deficit)</b>	<b>(48,468)</b>	<b>(53,752)</b>
	<b>ADMINISTRATION CAPITAL ITEMS &amp; SOURCES OF FUNDS</b>		
	<b>Capital items:</b>		
(63,567)	Renewal works	(107,582)	(141,725)
(170,173)	New capital	(175,299)	(157,637)
-	Assets vested (no expenditure required)	-	-
-	Debt principal repayments	-	-
(144,837)	Funding of reserves	(204,063)	(154,911)
-	Internal transfers	-	-
<b>(378,577)</b>		<b>(486,944)</b>	<b>(454,273)</b>
	<b>Funded by:</b>		
-	add new loans raised	-	-
216,403	add funding from reserves	261,132	278,819
-	Transfer from Ratepayer Equity	-	-
222,390	add depreciation	274,280	229,206
(60,216)	add/(deduct) Surplus/(Deficit) carried forward	(48,468)	(53,752)
-		-	-

### 2. SIGNIFICANT CAPITAL EXPENDITURE

Budget 2006/07 \$	ADMINISTRATION SIGNIFICANT CAPITAL EXPENDITURE	Adopted Budget 2007/08 \$	LTCCP Budget \$
51,630	Information Systems - Renewals + Additions	101,678	134,125
72,534	Vehicle Replacements	153,228	143,344

#### VARIATIONS from the 2006 – 16 Long Term Community Outcomes Plan:

- Staff Costs have increased, through the provision of additional staff members, notable an additional planning officer and an additional administration assistant in the Environmental Services department. The additional costs have been recovered from additional user fee recoveries and not rates.

# [13] environmental services

## [13.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Planning
- Amenity Management
- Access to Official Information
- Health Regulation
- Building Control
- Dog and Stock Control

## [13.2] RATIONALE FOR DELIVERY OF THE GROUP OF ACTIVITIES

Local Government legislation makes it compulsory, wherever possible, to maintain a clear division between operations and regulation. It is a reality that local authorities, as facilitators of development and growth, also have to be seen to comply with associated statutory environmental constraints and that there is no conflict of interest in this regard.

## [13.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

The above services add to Council's commitment to and responsibilities for maintaining a healthy balance between development and its impact on the environment, both physical and natural. The services also, to a higher or lesser extent, involve a regulatory function component.

## [13.4] ACTIVITY GOALS AND PRINCIPAL OBJECTIVES

The goals for the provision of environmental regulation services in the Grey District are:

- Through positive strategic and environmental planning and positive regulatory enforcement practices to ensure harmony between development activities and the physical and natural environment thereby creating sustainability and securing the rights of all.

Council's focus areas are:

- **Environmental Planning:** Council administers both the Resource Management Act, 1991 and the Grey District Plan with a view to managing and mitigating the effects of activities undertaken in the District on the physical and natural environment. Furthermore, Council undertakes planning for specific issues and areas to ensure harmony with other activities and minimum environmental impacts. Current projects include the Wider Moana Development Plan and a review of options for expanding the Greymouth central business district. Council is also involved in joint development planning for the Punakaiki area.
- **Amenity Management:** Council has a specific focus on improving the general appearance of the District, notably built-up areas, and is committed to achieving this by positive enforcement of environmental and aesthetic controls.
- **Access to Official Information:** Whilst this relates to the governance function as means of securing accountability and transparency, the main focus is the issuing of credible, robust Land Information Memoranda to prospective buyers of property. Unlike many local authorities, and based on an earlier legal challenge on the level and robustness of information to be provided, Council sees this as particularly important and invests a great deal of effort and time to ensure that all known information is provided.
- **Health Regulation:** Council administers the Health Act, the Hazardous Substances and New Organisms Act and a range of other legislation and regulations. It protects our community through investigating infectious and notifiable diseases, promoting the adoption of food safety programmes and investigating and managing environmental nuisances, including noise. It also provides a District licensing agency service for liquor, gaming machines, food premises, camping grounds, hairdressing businesses, funeral parlours and amusement devices. Council is also involved in the management and control of sex premises and of hazardous substances in some locations.
- **Building Control:** Council enforces the Building Act, 2004, providing an information, consents, inspection and enforcement service for buildings and swimming pool fencing to ensure that all buildings in the District are safe, sanitary, fit for purpose and constructed in accordance with the Building Code.
- **Dog and Stock Control:** Council controls animals in the District through dog registration, ranging and enforcement, provision of dog and stock pounds and investigation of nuisances caused by wandering animals.



[13.5] 2007/08 PERFORMANCE MEASURES

**Performance measure: Enhance the District Plan to achieve a coherent vision for the development of the District.**

Outputs:	Measurement:
<b>Strategic:</b>	
Develop the District Plan and supporting environmental policy which: <ul style="list-style-type: none"> <li>▪ provide clear guidance to residents concerning development within the District.</li> <li>▪ reflect community expectations for sustainable, harmonious development.</li> </ul>	<ul style="list-style-type: none"> <li>▪ A District Plan which is couched in plain English and can be understood readily by residents.</li> <li>▪ Improved community perceptions of departmental performance – per customer satisfaction rating.</li> </ul>
Clear, positive, consistent application of the Resource Management Act, 1991 and Council’s District Plan.	<ul style="list-style-type: none"> <li>▪ Decision-making based on the cost-benefit assessment of alternatives as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>
<b>Operational:</b>	
RMA and District Plan. <ul style="list-style-type: none"> <li>▪ Response timelines.</li> <li>▪ Prompt, courteous and fair enforcement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ As prescribed in the Act.</li> <li>▪ Verified complaints max 5 p.a.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

**Performance measure: Effective implementation of the Building Act, 2004**

Outputs:	Measurement:
<b>Strategic:</b>	
Achieve accreditation as a Building Consent Authority.	<ul style="list-style-type: none"> <li>▪ Timetable and criteria as laid down in regulations.</li> </ul>
Clear, positive, consistent application of the Building Act and Building Code so that buildings within the District are safe, sanitary and fit for purpose.	<ul style="list-style-type: none"> <li>▪ Decision-making based on the cost-benefit assessment of alternatives as well as a conscious effort to measure impacts on the social, economic, environmental and cultural wellbeing of the community.</li> </ul>
<b>Operational:</b>	
Building Act: <ul style="list-style-type: none"> <li>▪ Response timelines.</li> <li>▪ Enforcement.</li> </ul>	<ul style="list-style-type: none"> <li>▪ As prescribed in the Act.</li> <li>▪ Prompt, courteous and fair.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>▪ 75% satisfaction rating.</li> </ul>

**Performance measure: Through licensing and appropriate enforcement, improve harmony between residents and their environment.**

Outputs:	Measurement:
<b>Strategic:</b>	
Prompt reaction to requests for official information.	<ul style="list-style-type: none"> <li>Compliance with legislative requirements.</li> </ul>
Positive enforcement of bylaws as a mechanism to protect rights.	<ul style="list-style-type: none"> <li>Implementation of Council Bylaws and Compliance Policy.</li> </ul>
Responsible health regulation.	<ul style="list-style-type: none"> <li>Ensuring a high standard of public health.</li> </ul>
Positive dog and stock control.	<ul style="list-style-type: none"> <li>Manage the keeping of dogs and wandering stock.</li> </ul>
<b>Operational:</b>	
Official Information: <ul style="list-style-type: none"> <li>LIM requests.</li> </ul>	<ul style="list-style-type: none"> <li>10 working days.</li> </ul>
Bylaw enforcement: <ul style="list-style-type: none"> <li>Action.</li> <li>Amenity improvement.</li> </ul>	<ul style="list-style-type: none"> <li>Per Council's Enforcement Policy.</li> <li>Clearance of 6 untidy properties p.a.</li> </ul>
Health Regulation <ul style="list-style-type: none"> <li>Inspection of hairdresser salons, food premises, gaming machine outlets, camping grounds, funeral parlours and sex premises.</li> <li>Managing infectious and notifiable diseases in consultation with the District Medical Officer of Health.</li> <li>Food safety programmes.</li> <li>Dangerous goods.</li> <li>Environmental nuisance, i.e. noise.</li> </ul>	<ul style="list-style-type: none"> <li>Annually or per bylaws.</li> <li>Per legislation.</li> <li>Per legislation.</li> <li>Per legislation.</li> <li>Per legislation.</li> </ul>
Animal Control.	<ul style="list-style-type: none"> <li>Compliance with dog registration - 95%.</li> <li>Improved dog owner understanding of rights and responsibilities.</li> </ul>
<b>Governance:</b>	
Compliance with public expectations.	<ul style="list-style-type: none"> <li>75% satisfaction rating.</li> </ul>

## [13.6] FINANCIAL INFORMATION

Note: All financial information should be read in conjunction with the full financial information and policies as detailed in SECTION D:

### 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	ENVIRONMENTAL SERVICES INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
(524)	Employee costs	(540)	(541)
(1,282,082)	Support costs	(1,445,418)	(1,322,897)
(377,905)	Operating & maintenance costs	(468,708)	(357,262)
-	Interest expense	-	-
(35,728)	Depreciation	(37,165)	(38,329)
<b>(1,696,239)</b>		<b>(1,951,831)</b>	<b>(1,719,029)</b>
	<b>Revenue:</b>		
908,154	User charges	1,184,742	939,008
-	Other revenue	-	-
-	Subsidies/donations	-	-
-	Internal recoveries	-	-
337,882	Rates - UAGC	34,245	313,061
459,968	Rates - General	736,747	472,409
-	Rates - Targeted	-	-
<b>1,706,004</b>		<b>1,955,734</b>	<b>1,724,478</b>
<b>9,765</b>	<b>Net Surplus/(Deficit)</b>	<b>3,903</b>	<b>5,449</b>



Budget 2006/07 \$	ENVIRONMENTAL SERVICES CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Capital items:</b>		
(2,619)	Renewal works	-	(2,700)
(43,372)	New capital	(74,066)	(74,076)
-	Assets vested (no expenditure required)	-	-
-	Debt principal repayments	-	-
(31,235)	Funding of reserves	(31,738)	(31,738)
-	Internal transfers	-	-
<b>(77,226)</b>		<b>(105,804)</b>	<b>(108,514)</b>
	<b>Funded by:</b>		
-	add new loans raised	-	-
31,733	add funding from reserves	64,736	64,736
-	Transfer from Ratepayer Equity	-	-
35,728	add depreciation	37,165	38,329
9,765	add/(deduct) Surplus/(Deficit) carried forward	3,903	5,449
-		-	-

## 2. SIGNIFICANT CAPITAL EXPENDITURE

N/A



# [14] liaison with other agencies

## [14.1] ACTIVITIES THAT ARE INCLUDED IN THIS GROUP OF ACTIVITIES

- Co-operation with West Coast District Health Board & other service providers
- Co-operation with New Zealand Police, New Zealand Fire Service, etc.
- Restorative Justice
- Education - Co-Operation with relevant service providers

## [14.2] RATIONALE FOR GROUPING

These activities are related less to the core business of Council, and more to where Council acts as the facilitating or liaising agency.

## [14.3] BACKGROUND AND RATIONALE FOR COUNCIL'S INVOLVEMENT IN THE ACTIVITIES

Three of the community outcomes represent functions not delivered by Council. Council is therefore reliant upon the actual service providers to achieve such outcomes. These are:

- Law, order, personal and property safety. The primary service provider is the NZ Police with the NZ Fire Service another important agency.
- Affordable access to quality medical health services. The primary service provider is the WCDHB through Grey Base Hospital with local doctors and other medical service providers also important.
- Affordable access to quality education. The primary service providers would be the Education Ministry, Tai Poutini Polytechnic, schools, Karoro Learning Centre.

Council will develop a close association with all of these service providers in order to achieve the outcomes. In the meantime, Council's activity management plans incorporate the strategic plans of the relevant service providers.

Council also is a facilitator for a range of community driven projects related to:

- Restorative Justice.
- A community patrol initiative.
- The Big Brother Big Sister project.

## [14.4] 2007/08 PERFORMANCE MEASURES

**Performance measure: To co-ordinate delivery of functions not delivered by local authorities in order to ensure that outcomes are achieved.**

Outputs:	Measurement:
<b>Operational:</b>	
Reporting on achievement of outcomes.	▪ Annually.
<b>Governance:</b>	
Compliance with public expectations.	▪ 75% satisfaction rating.

**Performance measure: Maintain Government funding for community safety projects.**

Outputs:	Measurement:
<b>Operational:</b>	
Funding applications.	▪ Per funder's directive.
Performance management and report back.	▪ Per funder's directive.
<b>Governance:</b>	



Compliance with public expectations.

▪ 75% satisfaction rating.

## [14.5] FINANCIAL INFORMATION

### 1. COST OF SERVICE STATEMENT

Budget 2006/07 \$	LIASION WITH OTHER AGENCIES INCOME STATEMENT	Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Operating expenditure:</b>		
(1,047)	Employee costs	(1,079)	(1,080)
(48,441)	Support costs	(50,701)	(48,664)
(44,371)	Operating & maintenance costs	(45,253)	(45,747)
-	Interest expense	-	-
-	Depreciation	-	-
<b>(93,859)</b>		<b>(97,033)</b>	<b>(95,491)</b>
	<b>Revenue:</b>		
-	User charges	-	-
-	Other revenue	-	-
58,000	Subsidies/donations	58,000	58,000
-	Internal recoveries	-	-
35,859	Rates - UAGC	39,033	37,491
-	Rates - General	-	-
-	Rates - Targeted	-	-
<b>93,859</b>		<b>97,033</b>	<b>95,491</b>
-	<b>Net Surplus/(Deficit)</b>	-	-

### 2. SIGNIFICANT CAPITAL EXPENDITURE

N/A



# Grey District Council



# **[E] forecast financial statements & information**





# [1] introduction

## [1.1] STATEMENT OF RESPONSIBILITY

The forecast financial statements are prepared on the basis of best-estimate assumptions as to future events which the Council expects to take place as of June 2007.

## [1.2] AUTHORISATION FOR ISSUE

This document was authorised for issue by Council on, and is dated, **28 June 2007**.

## [1.3] PURPOSE FOR WHICH THIS PLAN IS PREPARED

This Grey District Council 2007/08 Annual Plan is prepared in accordance with the Local Government Act 2002, which requires a council, at all times, to adopt an Annual Plan through the special consultative procedure. The purpose of this legislation is to provide for democratic and effective local Government that recognises the diversity of New Zealand communities and promotes the accountability of local authorities to their communities.

## [1.4] COMPARATIVE INFORMATION

The 2006/07 comparative information is based on the 2006/07 year of the Grey District Council Long Term Community Outcomes Plan 2006 – 2016, whilst the 'LTCCP Budget' refers to the 2007/08 year of the same plan.

## [1.5] CAUTIONARY NOTE

The forecast financial statements are prospective financial information. Actual results are likely to vary from the information presented and the variations may be material. This prospective information should not be read other than for the purposes other than intended.

## [1.6] SIGNIFICANT FORECASTING ASSUMPTIONS

### [1.6.a] interest rates

Interest rates on borrowing are calculated on:

- Current rates for existing borrowing (6.1% - 8.15%)
- 8.0% for new borrowing

Given the low level of new borrowing forecast, this carries a low risk for the 2007/2008 year.

Interest rates on investments are calculated at 6.5%.

### [1.6.b] fixed assets

#### 1. useful life

The Council has made a number of assumptions about the useful life of its assets. The detail for each asset category is reflected in the statement of accounting policies. The useful lives are consistent with the assumptions applied to valuing each asset category and were determined by experienced and qualified asset valuers.

#### 2. sources of funds for replacement

The funding of the replacement of any individual asset will be funded from the following sources in the following order of priority:

- Specific reserves set aside for the purpose of replacing assets; or
- From the current year's operating surplus, including any cash arising from the funding of depreciation; or
- Loan funding the balance of the expenditure, with a loan being the shorter of either a 30 year loan term, or the life of the asset.

#### 3. Revaluation of fixed assets

Council revalues some classes of assets as outlined in the statement of accounting policies. The basis used for forecasting future revaluation movements is the compounded relevant price adjustment index.

#### [1.6.c] Vesting assets

For the purposes of this plan it has been assumed that there will be vesting of assets in Council. The forecast has been based on historical information. However it is noted that they are:

- The number and value is beyond Council's direct control, and therefore very difficult to predict;
- Likely to be immaterial in the context of overall asset values; and
- Being brand new, unlikely to impose any significant extra costs from those generated from current AMP's.

#### [1.6.d] port westland operations

The operation of the port activity at the Greymouth port has moved, from a Council activity to a Council Controlled Organisation (CCO). For the purposes of this plan the following assumptions have been made that have effect on the document:

- Existing assets associated with the port operations are to be transferred to Port Westland Ltd. The timing and value of this transfer has not yet been agreed upon and the quantities are therefore not represented in this plan. There is an option that existing assets may be leased to the new company operation and therefore depreciation on the existing assets is included in this plan as operating expenditure
- Any revenue and expenditure relating to the above is shown in the 'Property and Housing' group of activities statement.

#### [1.6.e] general commitments and contingencies

Council is not aware of any additional commitments or contingencies not already covered in this plan.





## [2] statement concerning balancing the budget

A local authority is required under the Local Government Act 2002 to ensure that, for each year, its projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.

The key indicator to achieving this outcome is that of the estimated net surplus/(deficit) in the forecast income statement, excluding revenue from 'Assets Vested in Council' and one-off capital revenue, as is shown in the following table:

Budget 2006/07 \$		Adopted Budget 2007/08 \$	LTCCP Budget \$
2,600,305	Net Surplus/(Loss) after Tax*	3,990,834	2,893,496
	<b>Less Non Operating Income</b>		
357,858	Assets Vested	374,697	372,850
513,438	LTNZ Subsidies for Capital Projects	1,851,644	1,069,225
1,694,000	Capital Subsidies for Sewerage Works	1,557,178	1,333,333
174,105	Other Revenue for Capital Works	396,930	165,445
<b>(139,096)</b>	<b>Net Surplus/(Loss) excluding 'Capital' Revenue</b>	<b>(189,615)</b>	<b>(47,357)</b>

\* refer Prospective Income Statement

Included in the above 'Net Surplus/Loss' is operating expenditure of approximately \$235,000 attributable to annual depreciation on port operational assets. This will continue to not be funded from operating income for the purposes of this plan. It is envisaged that, in the future, dividends and/or income returned from Port Westland Limited will be available to renew operating port assets Revenue received for capital works relates largely to roading, and as it is assumed central government subsidies will be received for this into the future, Council has decided it has set operating revenues at an adequate level to cover operating expenditure.

## [3] basis of recognising components of the financial statements

### [3.1] ASSETS

A transaction results in an asset being recognised in the balance sheet when it will probably give rise to ongoing benefits for Council, and these benefits can be measured with reliability.

### [3.2] LIABILITIES

A transaction results in a liability being recognised in the balance sheet when it will probably give rise to the need for Council to sacrifice assets in the future and those sacrifices can be measured with reliability.

### [3.3] REVENUE

Revenue is recognised in the income statement when a transaction gives rise to an increase in the value of Council's net assets, and that increase can be measured with reliability.

### [3.4] EXPENSES

An expense is recognised in the income statement when a transaction results in a decrease in the value of Council's net assets, and that decrease can be measured with reliability.

### [3.5] RATEPAYERS' EQUITY

Ratepayers' equity is the community's interest in Council as measured by the value of total assets less total liabilities. Ratepayers' equity is classified into a number of components in order to identify clearly the nature of Council's reserves:

- Accumulated Balance (District Funds)
- Revaluation Reserve
- Special Reserves



# Grey District Council



## [4] statement of accounting policies

### [4.1] REPORTING ENTITY

The Grey District Council (GDC) was formed on 01 November 1989 and is a territorial local authority governed by the Local Government Act 2002.

The financial forecasts reflect the operations of the Grey District Council but do not include the consolidated results of Council Controlled Organisations.

Council's operations are divided into the following areas:

- Asset Management and Engineering
- Environmental Services
- Finance and Information Technology
- Support Services

### [4.2] STATEMENT OF COMPLIANCE

The prospective financial statements of the Grey District Council have been prepared in accordance with the requirements of FRS-42 Prospective Financial Statements, and section 111 of the Local Government Act 2002, the Financial Reporting Act 1993, and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). These are the Council's second New Zealand International Financial Reporting Standards (NZ-IFRS) financial estimates.

The Grey District Council is a Public Benefit Entity whose primary objective is to provide goods and services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return. All available reporting exemptions allowed for under the framework for Public Benefit Entities have been adopted.

The financial statements are presented in New Zealand Dollars (NZD).

### [4.3] BASIS OF FINANCIAL STATEMENT PREPARATION AND MEASUREMENT BASE

The financial statements for the Grey District Council have been prepared on the historical cost basis, modified by the revaluation of certain assets as specified in the accounting policies below.

The preparation of financial statements in conformity with NZ-IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of which forms the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The accounting policies set out below will be applied consistently to all periods presented in the financial estimates and in preparing an opening NZ-IFRS balance sheet at 01 July 2005 for the purposes of the transition to IFRS.

### [4.4] SPECIFIC ACCOUNTING POLICIES

The following accounting policies which materially affect the measurement of results and the balance sheet have been applied:

#### 1. COST OF SERVICE STATEMENTS

The Cost of Service Statements, as provided in the Statement of Service Performance, report the net cost of services for significant activities of the Council, and are represented by the costs of providing the service less all directly related revenue that can be allocated to these activities.

#### 2. COST ALLOCATION

Grey District Council has derived the net cost of service for each significant activity of the Council using the cost allocation system outlined below.

- Criteria for direct and indirect costs:
  - "Direct Costs" are those costs directly attributable to a significant activity.
  - "Indirect Costs" are those costs which cannot be identified in an economically feasible manner, with a specific significant activity.
- Cost allocation policy:
  - Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.
- Cost drivers for allocation of indirect costs:
  - The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers and floor area.

### 3. GOODS AND SERVICES TAX

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense. Any amounts owing to the Inland Revenue Department for GST collected are shown in the balance sheet as a liability.

### 4. TAXATION

Provision is made for taxation after taking advantage of all allowable deductions under current tax legislation.

Future tax benefits attributable to tax losses and timing differences are only recognised when there is probable realisation. Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### 5. RECOGNITION OF REVENUE

- Rates and levies are recognised as income when assessments are issued.
- Revenue from the sale of goods and services is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer or the obligation to pay arises or in the case of Licence fees, upon renewal of the licence.
- Grants and subsidies
  - Land Transport New Zealand subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled and are recognised at their fair value.
  - Other grants and bequests are recognised as revenue when control over the assets is obtained.
- Vested assets are recognised when the significant risks and rewards of ownership have been transferred to the Council and when the obligation to accept transfer of the assets to the Council has been determined.

### 6. RECOGNITION OF EXPENDITURE

Expenditure is recognised when the service has been provided or the goods received or when it has been established that rewards of ownership have been transferred from the seller/provider to the Council and when it is certain the obligation to pay arises.

### 7. FINANCIAL INSTRUMENTS

The Grey District Council is party to financial instrument arrangements as part of everyday operations. These financial instruments include cash, bank balances, short-term investments, accounts receivable, accounts payable, and term debt. Revenue and expenditure in relation to all financial instruments are recognised in the income statement.

All financial instruments are recognised in the balance sheet with the exception of Guarantees and Contingent Assets and Contingent Liabilities which are disclosed by way of Notes to the Financial Statements.

The following methods and assumptions were used to value each class of financial instrument:

- Accounts receivable are recorded at estimated realisable value, after providing against debts where collection is doubtful.
- Short term investments are valued at fair value.
- Investments in Government and local authority stock are valued at held to maturity.
- Share investments, gifted in trust, are valued at fair value.
- Loans receivable are recorded at fair value.
- Port investments are recorded at cost.
- All other financial instruments, including cash and bank balances, accounts payable, and term debt are valued at fair value.

### 8. ACCOUNTS RECEIVABLE

Accounts receivable (debtors) are shown at their estimated realisable value after providing against debts where collection is doubtful.

### 9. PROPERTIES INTENDED FOR RESALE

Properties intended for resale are valued at the lower of carrying value and fair value. These are recorded separately in the balance sheet and are not depreciated.

### 10. INVESTMENT PROPERTY

Council does not currently hold any property that falls under the definition of investment property. In the event of investment property acquisition, it would be held at fair value and the portfolio valued annually by an independent valuation professional.

### 11. PROPERTY, PLANT AND EQUIPMENT

The cost of purchased property plant and equipment is the value of consideration given to acquire the assets and the value of other attributed costs which have been incurred in bringing the assets to the location and condition necessary for their intended service. Costs cease to be capitalised as soon as the asset is ready for productive use.



Council's assets are divided into three categories, operational assets, infrastructural assets and restricted assets.

### 1. classification

**Operational Assets:** These include land, buildings, furniture and fittings, plant and machinery, library books, port assets, aerodrome and computer equipment.

**Infrastructural Assets:** These are the fixed utility systems that provide a continuing service to the community and are not generally regarded as tradable. They include roading network, water and sewerage services, stormwater systems, and flood protection assets.

**Restricted Assets:** These assets cannot be readily disposed of because of legal or other restrictions, and provide a benefit or service to the community. They include Reserve Board assets, Heritage assets, and sports fields and parks.

### 2. valuation

Council's assets are valued on the following basis:

#### OPERATIONAL ASSETS

General Land  
Other Land  
Buildings  
Plant & Machinery  
Furniture & Fittings  
Computer Equipment  
Library Stocks  
Breakwaters & Wharves  
Aerodrome

#### VALUATION BASIS

Fair Value  
Historical Cost  
Fair Value  
Depreciated Historical Cost  
Depreciated Historical Cost  
Depreciated Historical Cost  
Depreciated Historical Cost  
Depreciated Historical Cost  
Improvements – Depreciated Replacement Value  
Fair Value

#### INFRASTRUCTURAL ASSETS

Land Under Roads  
Water Supply Systems  
Drainage/Sewerage Systems  
Roading Network  
Flood Protection System

#### VALUATION BASIS

Fair Value  
Optimised Depreciated Replacement Cost  
Optimised Depreciated Replacement Cost  
Optimised Depreciated Replacement Cost  
Cost

#### RESTRICTED ASSETS

Reserve Board Assets  
Sports fields and Parks  
Heritage Assets

#### VALUATION BASIS

Historical Cost  
Improvements – Optimised Depreciated Replacement Cost  
Depreciated Historical Cost (Deemed Cost) as at 1991  
Subsequent additions at cost.

All asset additions subsequent to valuation are recorded at cost.

Council revalues the following classes of assets on a minimum three yearly basis:

- General land
- Buildings
- Aerodrome
- Infrastructural land (land under roads)
- Water supply systems
- Drainage and sewerage
- Roading networks
- Sports fields and parks

### 3. depreciation

Depreciation is calculated on a straight-line basis at rates which will write off the cost or revalued amounts of the assets to their estimated residual values over their useful lives. Depreciation rates are as follows:

ASSET CLASS	DEPRECIATION METHOD	LIFE (YRS)	%
Land	Not Depreciated	-	-
Buildings			
- Structure	Straight Line	40	2.5



ASSET CLASS	DEPRECIATION METHOD	LIFE (YRS)	%
- Fit Out	Straight Line	15	6.5
- Services	Straight Line	18	5.5
Aerodrome	Straight Line	3 – 60	1.7 – 33.3
Plant and Machinery	Straight Line	3 – 30	3 – 33
Furniture and Fittings	Straight Line	10	10
Computer Equipment	Straight Line	3 – 8	12.5 – 33
Library Stocks	Straight Line	8	12.5
Breakwaters and Wharves	Straight Line	40 – 50	2 – 2.5
Reserve Board Assets	Not Depreciated		
Landfill Sites	Straight Line	10 – 50	2 – 10
Landfill Capitalised Aftercare Costs	Straight Line	8 – 15	12.5
Water Supply Systems			
- Pipe Network	Straight Line	60 – 80	1.25 – 1.7
- Pumps and Electrical	Straight Line	10	10
- Reservoirs	Straight Line	60 – 80	1.25 – 1.7
Drainage and Sewerage			
- Pipe Network	Straight Line	60 – 80	1.25 – 1.7
- Pumps and Electrical	Straight Line	10	10
- Ponds	Straight Line	60	1.7
Heritage Assets	Straight Line	40	2.5
Roading Networks			
- Formation	Not Depreciated		
- Pavement Structure - Sealed	Straight Line	30 – 50	2 – 3.3
- Pavement Structure - Unsealed	Straight Line	8 – 20	5 – 12.5
- Pavement Surfacing	Straight Line	4 – 23	4.3 – 25
- Kerb and Channelling	Straight Line	50 – 80	1.25 – 2
- Bridges	Straight Line	35 – 100	1 – 2.9
- Footpaths	Straight Line	40	2.5
- Drainage: Surface Water Channels	Straight Line	50 – 80	1.25 – 2
- Drainage: Culverts and Catchpits	Straight Line	25 – 80	1.25 – 4
-Traffic Signs and Pavement Marking	Straight Line	10 – 15	6.67 – 10
Flood Protection Scheme	Straight Line	100	1
Parking Developments	Straight Line	50	2
Sports fields and Parks (Improvements)	Straight Line	5 – 100	1 – 20
Work in Progress	Not Depreciated	-	-

#### 4. capital work in progress

Capital works in progress are not depreciated. The total cost of a project is transferred to the relevant class on completion and then depreciated.

#### 5. impairment

The carrying amounts of assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. If the estimated recoverable amount of the asset is less than the carrying amount the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the income statement.

#### 6. vested assets

Infrastructural assets vested to the Council in the period have been valued at fair value and subsequently depreciated.



## 12. EQUITY

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Public equity is disaggregated and classified into a number of components to enable clearer identification of the specified uses that Council make of its accumulated surpluses. The components of equity are:

- Accumulated Funds (District Funds)
- Special Funds (Special Reserves)
- Trusts, Bequests and Other Reserves
- Asset Revaluation Reserves

## 13. SPECIAL RESERVES

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council. Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Council-created reserves are reserves established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

## 14. EMPLOYEE ENTITLEMENTS

Provision is made in respect of the Council's liability for annual leave, long service leave, sick leave and retirement gratuities.

Liabilities for accumulating short-term compensated absences (e.g. annual and sick leave) are measured as the amount of unused entitlement accumulated at the balance sheet date that the entity anticipates employees will use in future periods in excess of the days that they will be entitled to in each of those periods.

Entitlements that are payable beyond twelve months, such as long service leave and retiring leave; have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service
- years to entitlement
- the likelihood that staff will reach the point of entitlement
- contractual entitlements information.

## 15. LANDFILL POST-CLOSURE COSTS

As operator of the Blackball and McLeans Pit Landfills, the Council has a legal obligation under the resource consent to provide ongoing maintenance and monitoring services at the landfill site after closure.

The provision is measured based on the present value of the future cash flows expected to be incurred, taking into account future events, including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post-closure.

The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the Council.

## 16. STATEMENT OF CASHFLOWS

The following are the definitions of terms used in the statement of cashflows:

- "Operating Activities" include cash received from all income sources of the Council and record the cash payments made for the supply of goods and services.
- "Investing Activities" are those activities relating to the acquisition, holding and disposal of property, plant and equipment and of investments. Investments can include securities not falling within the definition of cash.
- "Financing Activities" are those activities change the equity and debt capital structure of Council.
- "Cash" is considered to be cash on hand, cash at bank (net of overdrafts) and short-term deposits (maturities of three months or less).

## 17. CONTINGENT ASSET AND LIABILITY POLICY

Contingent liabilities and contingent assets are recorded in the Statement of Contingent Liabilities and Contingent Assets at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

## 18. PROVISIONS

A provision is recognised in the balance sheet when the Council has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

## 19. LEASES

The Council enters into operating leases of certain property, plant and equipment. Leases in which substantially all of the risks and rewards of ownership transfer to the lessee are classified as finance leases. At inception, finance leases are recognised as assets and liabilities on the balance sheet at the lower of the fair value of the leased property and the present value of the minimum lease payments. Any additional direct costs of the lessee are added to the amount recognised as an asset. Subsequently, assets leased under a finance lease are depreciated as if the assets are owned.

### 1. operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

## 2. finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

## 3. council as lessor

Revenue received under operating leases is recognised in the income statement on a straight-line basis over the term of the lease. Costs associated with the lease are recognised in the income statement in the period of expenditure.

## [4.5] CHANGES IN ACCOUNTING POLICIES

None.





## [5] prospective income statement

Budget 2006/07		Note	Adopted Budget 2007/08	LTCCP Budget
\$			\$	\$
	<b>INCOME</b>			
9,630,393	Rates Income	1	10,148,931	10,212,545
5,010,352	Subsidies and Grants		5,871,768	5,243,508
1,037,906	Interest Income		863,845	1,043,845
858,795	Regulatory Income		1,141,677	888,753
1,791,201	User Charges & Other Income		2,426,808	2,135,547
356,502	Profit on Sale of Property Plant & Equipment		330,478	165,401
-	Subdivision contributions		-	-
357,858	Assets Vested		374,697	372,850
<b>19,043,007</b>	<b>Total Income</b>		<b>21,158,204</b>	<b>20,062,449</b>
	<b>EXPENDITURE</b>			
( 9,961,324 )	Operations & Maintenance		( 10,550,167 )	( 10,294,866 )
( 632,592 )	Interest Expense		( 642,766 )	( 872,844 )
( 5,848,786 )	Depreciation		( 5,974,437 )	( 6,001,244 )
<b>( 16,442,702 )</b>	<b>Total Expenditure</b>		<b>( 17,167,370 )</b>	<b>( 17,168,954 )</b>
<b>2,600,305</b>	<b>Net Surplus/(Loss) before Tax</b>		<b>3,990,834</b>	<b>2,893,495</b>
-	Tax Expense		-	-
<b>2,600,305</b>	<b>Net Surplus/(Loss) after Tax</b>		<b>3,990,834</b>	<b>2,893,495</b>

### VARIATIONS from the 2006 – 16 Long Term Community Outcomes Plan:

- No significant variations overall, however refer to each 'group of activity' statement for any detail

## [6] prospective statement of movements in equity

Budget 2006/07		Note	Adopted Budget 2007/08	LTCCP Budget
\$			\$	\$
259,004,591	Equity at start of the period		266,519,856	261,889,623
2,600,305	Net (Surplus)/Deficit for the Period		3,990,834	2,893,496
284,727	Increase (Decrease) in Revaluation Reserves		38,905,159	38,905,159
<b>2,885,032</b>	<b>Total recognised revenues and expenses for the period</b>		<b>42,895,993</b>	<b>41,798,655</b>
<b>261,889,623</b>	<b>Equity at end of the period</b>		<b>309,415,849</b>	<b>303,688,278</b>





## [7] prospective balance sheet

Budget 2006/07		Note	Adopted Budget 2007/08	LTCCP Budget
\$			\$	\$
<b>ASSETS</b>				
<b>Non Current Assets</b>				
257,851,887	Property, plant and equipment		302,977,476	301,584,950
2,597,399	Other Investments		3,009,034	2,851,965
<b>260,449,286</b>			<b>305,986,510</b>	<b>304,436,915</b>
<b>Current Assets</b>				
2,284,641	Cash and cash equivalents		1,942,542	2,505,550
42,140	Cash Held by Reserve Boards		42,140	42,140
3,071,531	Trade and other receivables		2,448,648	3,236,647
-	Assets classified as held for sale		-	-
10,389,597	Other Investments		12,036,136	11,407,860
<b>15,787,909</b>			<b>16,469,466</b>	<b>17,192,197</b>
<b>276,237,195</b>	<b>TOTAL ASSETS</b>		<b>322,455,976</b>	<b>321,629,112</b>
<b>EQUITY</b>				
151,595,917	District Funds		153,596,163	153,374,322
16,171,393	Special Reserves		18,666,401	17,286,484
94,122,313	Revaluation Reserves		137,153,285	133,027,472
<b>261,889,623</b>	<b>TOTAL EQUITY</b>		<b>309,415,849</b>	<b>303,688,278</b>
<b>LIABILITIES</b>				
<b>Non Current Liabilities</b>				
6,178,870	Loans and borrowings		7,105,506	8,644,109
171,694	Employee benefits		187,463	187,463
1,072,791	Provisions		1,070,222	1,070,222
<b>7,423,355</b>			<b>8,363,191</b>	<b>9,901,794</b>
<b>Current Liabilities</b>				
2,648,088	Loans and borrowings		1,776,377	3,704,619
-	Employee benefits		-	-
4,023,989	Trade and other payables		2,640,602	4,074,464
252,140	Provisions		259,957	259,957
<b>6,924,217</b>			<b>4,676,936</b>	<b>8,039,040</b>
<b>14,347,572</b>	<b>TOTAL LIABILITIES</b>		<b>13,040,127</b>	<b>17,940,834</b>
<b>276,237,195</b>	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>322,455,976</b>	<b>321,629,112</b>

# [8] prospective statement of cash flows

Budget 2006/07	Note	Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
<b>OPERATING ACTIVITIES</b>			
<b>Cash was Provided from:</b>			
16,316,171		19,301,879	18,149,838
1,037,906		863,845	1,043,845
<b>17,354,077</b>		<b>20,165,724</b>	<b>19,193,683</b>
<b>Cash was Applied to:</b>			
(9,090,591)		(10,501,097)	(10,247,705)
(632,592)		(642,766)	(872,844)
		-	
<b>(9,723,183)</b>		<b>(11,143,863)</b>	<b>(11,120,549)</b>
<b>7,630,894</b>		<b>9,021,861</b>	<b>8,073,134</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash was Provided from:</b>			
-		-	-
1,547,717		1,744,228	(1,251,814)
701,950		-	641,705
<b>2,249,667</b>		<b>1,744,228</b>	<b>(610,109)</b>
<b>Cash was Applied to:</b>			
(9,845,218)		(11,444,581)	(10,763,887)
<b>(9,845,218)</b>		<b>(11,444,581)</b>	<b>(10,763,887)</b>
<b>(7,595,551)</b>		<b>(9,700,353)</b>	<b>(11,373,996)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash was Provided from:</b>			
1,000,245		515,090	3,740,464
<b>1,000,245</b>		<b>515,090</b>	<b>3,740,464</b>
<b>Cash was Applied to:</b>			
(357,227)		(178,697)	(218,694)
<b>(357,227)</b>		<b>(178,697)</b>	<b>(218,694)</b>
<b>643,018</b>		<b>336,393</b>	<b>3,521,770</b>
678,361		(342,099)	220,908
1,606,280		2,284,641	2,284,641
<b>2,284,641</b>		<b>1,942,542</b>	<b>2,505,549</b>



# [9] additional notes to the statements

## [1] income by activity

Budget 2006/07		Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
5,563,338	Roading	7,086,407	6,395,591
507,600	Stormwater & Flood Protection	512,841	557,974
3,495,443	Sewerage	3,761,402	3,210,611
1,263,879	Water Supply	1,432,613	1,566,914
1,089,287	Refuse Collection & Disposal	1,131,026	1,092,519
75,810	Rural Fire Authority	79,380	79,353
198,097	Economic Development	203,205	200,457
1,177,199	Property and Housing*	1,081,168	1,160,104
1,845,007	Community Services and Facilities	1,813,166	1,835,754
46,181	Civil Defence	48,119	47,144
1,630,493	Democracy	1,563,232	1,723,037
350,810	Administration*	392,878	373,023
1,706,004	Environmental Services	1,955,734	1,724,478
93,859	Liaison with other Agencies	97,033	95,491
<b>19,043,007</b>	<b>Total Income</b>	<b>21,158,204</b>	<b>20,062,450</b>

\* Figures shown have been adjusted for internal charges (netted off)

## [2] expenditure by activity

Budget 2006/07		Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
( 5,911,878 )	Roading	( 5,876,772 )	( 6,085,798 )
( 674,310 )	Stormwater & Flood Protection	( 685,700 )	( 711,813 )
( 920,869 )	Sewerage	( 1,019,804 )	( 1,028,453 )
( 1,325,940 )	Water Supply	( 1,428,321 )	( 1,575,341 )
( 1,147,448 )	Refuse Collection & Disposal	( 1,183,305 )	( 1,145,468 )
( 74,353 )	Rural Fire Authority	( 77,996 )	( 78,130 )
( 228,432 )	Economic Development	( 247,059 )	( 233,919 )
( 1,143,084 )	Property and Housing*	( 1,223,185 )	( 1,168,787 )
( 1,929,235 )	Community Services and Facilities	( 1,987,924 )	( 1,979,134 )
( 46,181 )	Civil Defence	( 48,119 )	( 47,144 )
( 839,848 )	Democracy	( 898,975 )	( 873,672 )
( 411,026 )	Administration*	( 441,346 )	( 426,775 )
( 1,696,239 )	Environmental Services	( 1,951,831 )	( 1,719,029 )
( 93,859 )	Liaison with other Agencies	( 97,033 )	( 95,491 )
<b>( 16,442,702 )</b>	<b>Total Expenditure</b>	<b>( 17,167,370 )</b>	<b>( 17,168,954 )</b>

\* Figures shown have been adjusted for internal charges (netted off)



**[3] rate remissions granted per policy**

Budget 2006/07		Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
(24,980)	General Rate	(25,004)	(24,252)

These have been included as an operating expense, in the democracy activity.

**[4] capital expenditure by activity**

Budget 2006/07		Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
( 3,392,169 )	Roading	( 4,757,693 )	( 3,847,601 )
( 416,413 )	Stormwater & Flood Protection	( 278,502 )	( 441,393 )
( 4,250,076 )	Sewerage	( 3,100,244 )	( 2,963,215 )
( 874,124 )	Water Supply	( 948,209 )	( 2,688,251 )
( 15,985 )	Refuse Collection & Disposal	( 25,447 )	( 16,481 )
( 1,619 )	Rural Fire Authority	( 14,049 )	( 14,050 )
( 180,600 )	Economic Development	-	-
( 622,468 )	Property and Housing	( 495,020 )	( 48,354 )
( 693,694 )	Community Services and Facilities	( 1,533,716 )	( 371,718 )
-	Civil Defence	-	-
-	Democracy	-	-
( 233,740 )	Administration	( 282,881 )	( 299,362 )
( 45,991 )	Environmental Services	( 74,066 )	( 76,776 )
-	Liaison with other Agencies	-	-
<b>( 10,726,879 )</b>	<b>Total Capital Expenditure</b>	<b>( 11,509,827 )</b>	<b>( 10,767,201 )</b>

**[5] debt repayment by activity**

Budget 2006/07		Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
( 6,445 )	Roading	( 23,870 )	( 30,862 )
( 5,008 )	Stormwater & Flood Protection	( 5,408 )	( 10,754 )
( 214,953 )	Sewerage	( 6,259 )	( 6,265 )
( 42,009 )	Water Supply	( 47,261 )	( 67,002 )
( 63,137 )	Refuse Collection & Disposal	( 68,175 )	( 68,174 )
-	Rural Fire Authority	-	-
-	Economic Development	-	-
( 21,931 )	Property and Housing	( 23,681 )	( 23,681 )
( 3,744 )	Community Services and Facilities	( 4,043 )	( 11,956 )
-	Civil Defence	-	-
-	Democracy	-	-
-	Administration	-	-
-	Environmental Services	-	-
-	Liaison with other Agencies	-	-
<b>( 357,227 )</b>	<b>Total Debt Repayment</b>	<b>( 178,697 )</b>	<b>( 218,694 )</b>



## [6] liability management

Budget 2006/07 \$		Adopted Budget 2007/08 \$	LTCCP Budget \$
<b>8,826,958</b>	<b>Projected Total Debt</b>	<b>8,881,883</b>	<b>12,348,728</b>
276,237,195	Projected Total Asset Value	322,455,976	321,629,112
3.20%	total debt as a % of total assets	2.75%	3.84%
<input checked="" type="checkbox"/>	<b>Policy Limit</b> 20%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
18,328,647	Projected Total Operating Revenue	20,453,029	19,524,198
48.16%	total debt as a % of total operating revenue	43.43%	63.25%
<input checked="" type="checkbox"/>	<b>Policy Limit</b> 135%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
7,096	Projected Number of Rateable Properties	7,200	7,202
1,244	outstanding debt per rateable property	1,234	1,715
<input checked="" type="checkbox"/>	<b>Policy Limit</b> 3,500	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
632,592	Gross Interest Paid	642,766	872,844
16,303,606	Total Operating Revenue (Revenue Excluding Capital Subsidies and Assets Vested)	16,977,755	17,121,596
3.9%	Interest Paid as % of Operating Revenue	3.8%	5.1%
<input checked="" type="checkbox"/>	<b>Policy Limit</b> 15%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Council funds significant new capital development over the expected useful life of the new asset, so as to provide inter-generational equity with regards to funding. This is typically achieved by loan funding the new development.

# [10] funding impact statement & other rating information

Schedule 10, Local Government Act 2002 - To assist the ratepayer in understanding the indicative impact of this plan.

## [10.1] REVENUE & FINANCING MECHANISMS

The following statement sets out the total application of funds and the revenue and financing mechanisms to be used by Council, including the estimated amount (GST exclusive) to be produced by each mechanism:

Budget 2006/07 \$		Adopted Budget 2007/08 \$	LTCCP Budget \$
	<b>Funds Required</b>		
(2,923,321)	Employee Costs	(3,086,513)	(3,013,945)
(7,038,003)	Operating & Maintenance Costs (excl Depreciation)	(7,463,654)	(7,280,922)
(632,592)	Interest on Borrowing	(642,766)	(872,844)
(2,867,233)	Renewal Capital Expenditure	(3,985,739)	(3,015,508)
(7,859,646)	New Capital Expenditure	(7,524,088)	(7,751,693)
(357,227)	Debt Repayments	(178,697)	(218,694)
(1,913,738)	Transfer to Reserves/Internal Transfer	(1,889,542)	(2,150,138)
<b>(23,591,760)</b>	<b>Total Funds Required</b>	<b>(24,770,999)</b>	<b>(24,303,744)</b>
	<b>Rates Income</b>		
3,999,929	General Rates	4,657,397	4,197,301
2,121,261	Uniform Annual General Charge	1,759,242	2,265,379
1,321,062	Targeted Sewerage Rates	1,418,744	1,404,842
992,522	Targeted Water Rates	1,175,970	1,180,531
260,828	Water Meter Sales	245,692	272,954
612,788	Targeted Refuse Rates	630,214	641,277
156,564	Targeted District Promotion Rate	165,672	156,628
74,623	Targeted NWCB Rate	-	-
90,816	Rate Penalties	96,000	93,632
<b>9,630,393</b>	<b>Total Rates Income</b>	<b>10,148,931</b>	<b>10,212,544</b>
	<b>Other Funding Sources</b>		
5,010,352	Subsidies and Grants	5,871,768	5,243,509
1,037,906	Interest Income	863,845	1,043,845
858,795	Regulatory Income	1,141,677	888,750
1,791,201	User Charges & Other Income	2,426,808	1,970,149
356,502	Profit on Sale of Property	330,478	330,802
1,000,246	New Loans Raised	515,090	3,740,464
3,906,366	Funding from Reserves	3,472,402	873,679
<b>13,961,368</b>	<b>Total Other Funding Sources</b>	<b>14,622,068</b>	<b>14,091,198</b>
<b>23,591,761</b>	<b>TOTAL FUNDING</b>	<b>24,770,999</b>	<b>24,303,742</b>

The total of the revenue sources expected are shown in the Budgeted Statement of Financial Performance and information is also shown in each Group of Activities Budgeted Cost of Service Statement.

## [10.2] RATES

Rates are assessed under the Local Government (Rating) Act 2002 on all rateable rating units in the Rating Information Database. Where rates are set on value, the land value of the property will apply (except for the District Promotion targeted rate which is calculated on capital value). The latest revaluation was carried out as at **01 September 2006** and will be effective for the 2007/08 rating year. District revaluations are carried out at a three yearly interval.

## [10.3] POLICY OBJECTIVE

- To provide Council with adequate income to carry out its mission and objectives.
- To support the Council's achievement of its strategic objectives.
- To be simply administered, easily understood, allow for consistent application, and generate minimal compliance costs.
- To spread the incidence of rates as equitably as possible, by balancing the level of service provided by Council with ability to pay and the incidence of costs in relation to benefits received.
- To reflect the decisions of the Councils policies and rating reviews



## [10.4] DEFINITION OF 'SEPARATELY USED OR INHABITED PART OF A RATING UNIT'

A separately used or inhabited part (SUIP) of a rating unit is defined as:

Any part of a rating unit that which can be:

- separately let and/or permanently occupied; and
- used for separate purposes.

These are separately used parts of a rating unit:

- A residential property that contains two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate habitation.
- Commercial premises which contain separate shops, kiosks or other retail or wholesale outlets, each of which is operated as a separate business or is capable of operation as a separate business.
- An office block which contains several sets of offices, each of which is used by a different business or which is capable of operation as separate businesses.
- Commercial premises which contain separate living quarters.

Not separately used parts of a rating unit:

- A residential sleep-out or granny flat without independent kitchen facilities.
- A hotel room with or without kitchen facilities.
- Motel rooms with or without kitchen facilities.
- Individual storage garages/sheds/partitioned areas of a warehouse.
- Individual offices/premises of partners in a partnership.

## [10.5] GENERAL RATE

The Council sets a general rate based on the land value of each rating unit in the District. The general rate will be set on a differential basis based on land use as described as follows:

### 1. RESIDENTIAL

All properties in the District less than 4,000 square metres and used primarily for residential purposes, split into the following zones:

- Residential Zone ONE (refer [10.13] Map of Rating Zones below for location)
- Residential Zone TWO (refer [10.13] Map of Rating Zones below for location)
- Residential Zone THREE (refer [10.13] Map of Rating Zones below for location)

### 2. RURAL RESIDENTIAL

All properties in the District greater than or equal to 4,000 square metres (0.4HA) and less than 50,000 square metres (5.0HA) and used primarily for residential purposes.

### 3. RURAL

All properties in the District greater than or equal to 50,000 square metres (5HA) and used primarily for residential purposes.

### 4. FARMING FORESTRY

All properties in the District used primarily for farming and/or forestry purposes.

### 5. COMMERCIAL

All properties in the District used primarily for commercial and/or industrial purposes and split into the following zones:

- Commercial Zone ONE (refer [10.13] Map of Rating Zones below for location)
- Commercial Zone TWO (refer [10.13] Map of Rating Zones below for location)
- Commercial Zone THREE (refer [10.13] Map of Rating Zones below for location)

## [10.6] GENERAL RATING DIFFERENTIALS

### 1. PERCENTAGE OF GENERAL RATES PAYABLE PER RATING CATEGORY

	Residential Zone 1	Residential Zone 2	Residential Zone 3	Rural Residential	Rural Use	Commercial Zone 1	Commercial Zone 2	Commercial Zone 3	Farming Forestry
Community Services	40.60%	3.60%	13.70%	9.10%	4.20%	22.10%	1.00%	1.30%	4.40%
Environmental Services	50.50%	11.00%	7.90%	12.30%	3.50%	5.10%	0.50%	0.60%	8.60%
Refuse Disposal Site(s)	50.50%	11.00%	7.90%	12.30%	3.50%	5.10%	0.50%	0.60%	8.60%
Roading	30.70%	2.20%	4.00%	3.90%	4.60%	27.70%	1.60%	1.50%	23.80%
Stormwater	71.30%	6.40%	5.60%	5.30%	1.20%	8.70%	0.60%	0.90%	
Flood Protection	62.90%	3.40%	2.90%	6.70%	2.00%	17.10%	1.00%	0.80%	3.20%
Rural Fire	11.70%	5.20%	5.70%	4.20%	14.00%	1.40%	0.50%	0.50%	56.80%

## 2. RATES PER DOLLAR OF LAND VALUE PAYABLE BY EACH CATEGORY

The rates for 2007/08 are:

	Residential Zone 1	Residential Zone 2	Residential Zone 3	Rural Residential	Rural Use	Commercial Zone 1	Commercial Zone 2	Commercial Zone 3	Farming Forestry
Community Services	0.00201	0.00084	0.00151	0.00086	0.00055	0.00409	0.00161	0.00226	0.00012
Environmental Services	0.00184	0.00190	0.00064	0.00086	0.00034	0.00070	0.00060	0.00077	0.00017
Refuse Disposal Site(s)	0.00078	0.00081	0.00028	0.00037	0.00015	0.00030	0.00026	0.00033	0.00008
Roading	0.00311	0.00106	0.00090	0.00075	0.00123	0.01047	0.00525	0.00532	0.00130
Stormwater	0.00084	0.00036	0.00015	0.00012	0.00004	0.00039	0.00023	0.00038	-
Flood Protection	0.00079	0.00021	0.00009	0.00016	0.00007	0.00081	0.00041	0.00036	0.00003
Rural Fire	0.00005	0.00010	0.00005	0.00003	0.00014	0.00002	0.00007	0.00007	0.00012
<b>TOTAL</b>	<b>0.00942</b>	<b>0.00528</b>	<b>0.003620</b>	<b>0.003150</b>	<b>0.002520</b>	<b>0.016780</b>	<b>0.008430</b>	<b>0.009490</b>	<b>0.001820</b>

### [10.7] UNIFORM ANNUAL GENERAL CHARGE

The Uniform Annual General Charge is charged at 1 full charge per rating assessment. The Council sets a uniform annual general charge to fund the following activities:

- Airport (part)
- Affordable access to quality medical health services
- Civic Centre
- Library
- Swimming Baths
- Council
- Consultation
- Access to Official Information
- Law Order & Safety
- Civil Defence & Emergency Management
- Restorative Justice
- Co-operation with Department of Education School Principals & Other Education Providers

The rate for 2007/08 is:

Rate UAGC 2006/07	Rate 2007/08	estimated rate in LTCCP
357.30 Rate	286.40	366.90

Includes GST

refer section [B] amendments to the long term plan, page 10, for changes to activities that the UAGC funds

### [10.8] TARGETED RATES

#### 1. SEWERAGE

The Council sets a targeted rate for sewage disposal on the basis of a targeted rate per separately used or inhabited part of a rating unit which is either connected to a Council scheme or for which a connection is available. The charge will be set on a differential basis based on the availability of the service – either connected or serviceable. Connected means the rating unit is connected to a Council operated sewerage scheme. Serviceable means the rating unit is not connected, but is within 30 metres of such a scheme. Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

Quarter charges apply to hotels, motels, and schools which receive an initial full sewerage charge and then one quarter sewerage charge for each unit (pan charge) thereafter.

The targeted rate includes:

- the operation and maintenance costs for Council schemes and
- capital costs (loan repayments of previous capital expenditure, and/or current capital expenditure costs, and/or development costs of capital expenditure).

The rates for 2007/08 are:



Rate SEWERAGE 2006/07		Rate 2007/08	estimated rate in LTCCP
253.60	Blackball	402.90	406.60
409.60	Greymouth	431.20	421.90
172.40	Karoro	177.60	177.50
144.70	Runanga	149.10	149.00
144.70	South Beach/Paroa	149.10	149.00
144.70	Moana	149.10	149.00
-	Kaiata	-	-
-	Dobson	-	-
-	Taylorville	-	-
265.00	Boddytown	431.20	421.90
-	Rapahoe	-	-
263.20	Te-Kinga	431.20	420.00
423.00	South Beach Loan	423.00	423.00

Includes GST

## 2. WATER SUPPLY

The Council sets a targeted rate for water supply on the basis of a targeted rate per separately used or inhabited part of a rating unit which is either connected to the scheme or for which a connection is available. The charge will be set on a differential basis based on the availability of the service – either connected or serviceable. Connected means the rating unit is connected to a Council operated water reticulation scheme. Serviceable means the rating unit is not connected, but is within 50 metres of such a scheme. Rating units which are not connected to the scheme, and which are not serviceable, will not be liable for this rate.

The targeted rate includes:

- the operation and maintenance costs for Council schemes and
- capital costs (loan repayments of previous capital expenditure, and/or current capital expenditure costs, and/or development costs of capital expenditure)

The rates for 2007/08 are:

Rate WATER 2006/07		Rate 2007/08	estimated rate in LTCCP
298.80	Blackball	334.10	301.10
165.30	Dobson/Taylorville	203.40	169.50
247.10	Greymouth	286.70	255.40
195.70	Runanga	233.80	199.60
165.30	Stillwater	203.40	169.50
-	Moana	-	476.80
-	Boddytown	286.70	327.73
148.00	South Beach Water Loan	148.00	148.00

Includes GST

## 3. METERED WATER SUPPLY

The Council sets a metered water targeted rate for the water supply that is based on the volume of water supplied to all rating units where the volume supplied is considered to be in excess of 300m<sup>3</sup> per annum.

The rate for 2007/08 is: (for all water consumed in excess of 300m<sup>3</sup>)

Rate METERED WATER 2006/07		Rate 2007/08	estimated rate in LTCCP
0.75	Rate	0.80	0.78

Includes GST

## 4. REFUSE COLLECTION

The Council sets a targeted rate for refuse collection on the basis of a targeted rate per separately used or inhabited part of a rating unit for which the service is available. The charge will be set only for those units for which the service is available and have capital improvements on the unit.

The rates for 2007/08 are:

Rate REFUSE 2006/07		Rate 2007/08	
120.40	Residential Collection	122.50	124.20
240.80	Commercial - Twice Weekly (where available)	245.00	248.40

Includes GST

## 5. DISTRICT PROMOTION RATE

The Council sets a targeted rate to fund promotion and marketing opportunities in the District. This is set on commercial and industrial rating units. The rate per dollar of **Capital Value** is:

Rate DISTRICT PROMOTION 2006/07		Rate 2007/08	estimated rate in LTCCP
0.001500	Rate	0.000910	n/a

Includes GST





### [10.9] EARLY PAYMENT OF RATES

A discount of **2.5%**, calculated on the Total Annual Levy, will apply where all due rates are paid in full, together with any outstanding prior years' rates and penalties, by 4.30pm on the due date for payment of the first instalment outlined below.

### [10.10] RATES PAYABLE BY INSTALMENT

	Due Date and Payable	FINAL Date for payment
Instalment 1	01 August	31 August
Instalment 2	01 November	30 November
Instalment 3	01 February	28 February
Instalment 4	01 May	31 May

### [10.11] RATES PENALTIES

CURRENT PENALTIES	PENALTY DATE	Penalty incurred on current instalment balance outstanding
Instalment 1 Penalty	01 September	10%
Instalment 2 Penalty	01 December	10%
Instalment 3 Penalty	01 March	10%
Instalment 4 Penalty	01 June	10%

WATER METER RATE PENALTIES	PENALTY DATE	Penalty incurred on TOTAL balance outstanding
Instalment Penalty	20 <sup>th</sup> of month following invoice date	10%

ARREARS PENALTIES	PENALTY DATE	Penalty incurred on TOTAL balance outstanding
Annual Penalty	01 July	10%

#### VARIATION from the 2006 – 16 Long Term Community Outcomes Plan:

The due dates payable for the quarterly rate instalments have been changed from what was signalled in the Long Term Community Outcomes Plan:

	FINAL Date for payment signalled in the 2007/08 Draft Annual Plan	Previous FINAL Date for payment
Instalment 1	<b>31 August</b>	20 September
Instalment 2	<b>30 November</b>	20 December
Instalment 3	<b>28 February</b>	20 March
Instalment 4	<b>31 May</b>	20 June

Accordingly the date a 10% penalty will be applied (to the instalment balance outstanding) is adjusted to the date following the due date.

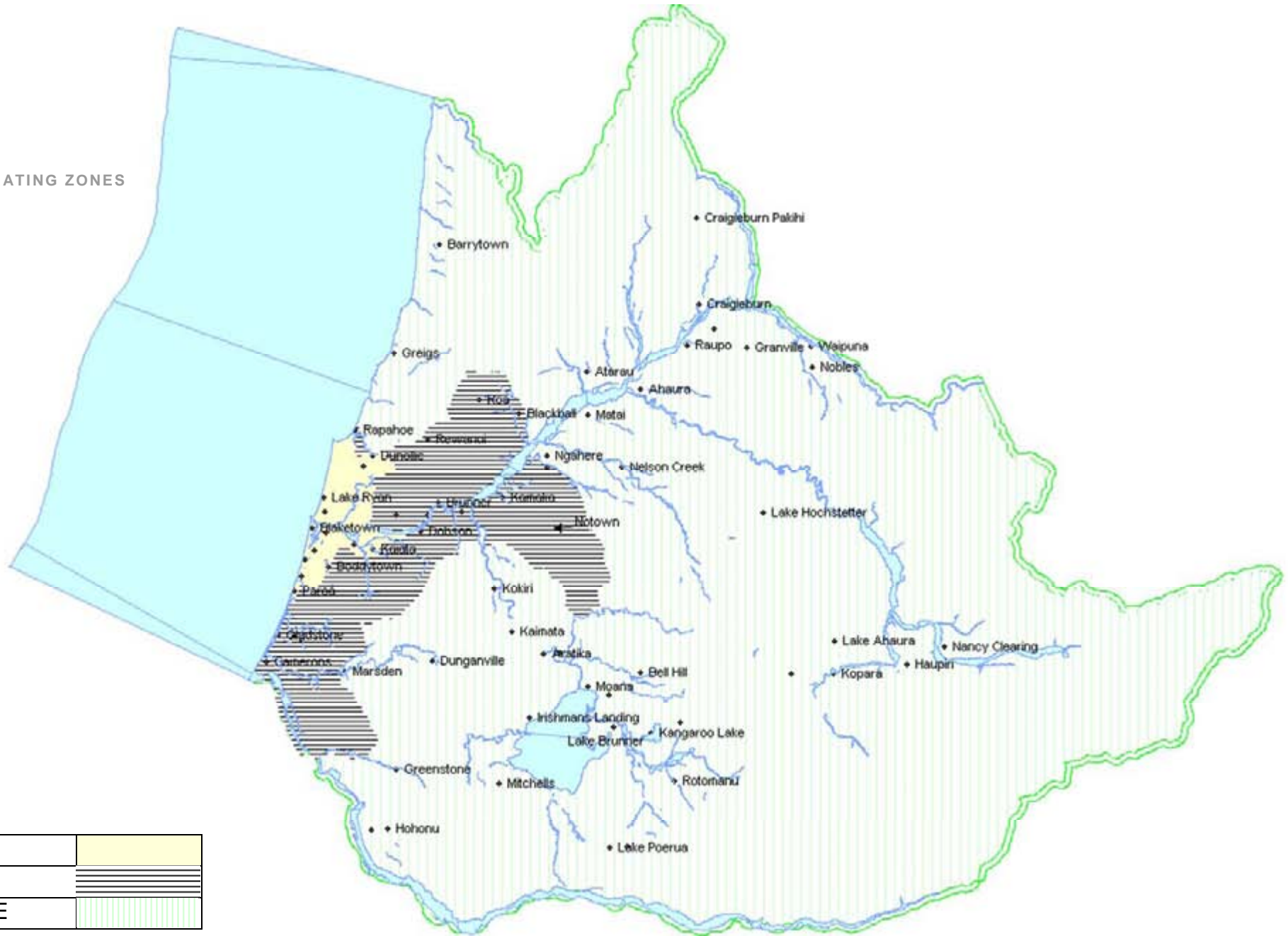





## [10.12] RATE REMISSION AND POSTPONEMENT POLICIES

Full copies of Council's Rates Remission and Postponement Policies are detailed further in this plan and available on request or from the website [www.greycdc.govt.nz](http://www.greycdc.govt.nz).



[10.13] MAP OF RATING ZONES



ZONE ONE	
ZONE TWO	
ZONE THREE	

# [11] fees & charges

Other fees **are** payable, this is an outline of the main fees payable. Council may amend or set additional fees throughout the financial year.

Errors and Omissions Excepted

Sewerage		2007/08 Fee	2006/07 Fee
<b>Financial Contributions (payable on receiving consent for subdivision)</b>			
Moana	<i>per lot</i>	2,272.84	3,675.40
South Beach/Paroa	<i>per lot</i>	9,292.10	8,603.80
Karoro	<i>per lot</i>	2,227.18	2,062.20
<i>Other contributions to proposed 'as required' works may be set through separate consultative procedures</i>			

Water		2007/08 Fee	2006/07 Fee
<b>Financial Contributions (payable on receiving consent for subdivision)</b>			
South Beach/Paroa	<i>per lot</i>	3,097.44	2,868.00
<i>Other contributions to proposed 'as required' works may be set through separate consultative procedures</i>			

Refuse		2007/08 Fee	2006/07 Fee
McLeans Landfill			
General (minimum fee of \$2.)	<i>per cubic metre</i>	11.00	10.50
Penalty for uncovered trucks and trailers		11.00	10.50
Green Waste	<i>per cubic metre</i>	2.50	2.50
Whiteware	<i>per item</i>	1.50	1.50
Scrap Metal	<i>per cubic metre</i>	2.50	2.50
Council Refuse Bags (disposal of)		n/a	free
			-
Disposal of Cars/Ute/Light Trucks - Prepared	<i>each</i>	free	free
Disposal of Cars/Ute/Light Trucks - Un-Prepared	<i>each</i>	30.00	26.00
			-
Tyres - Car/Motorcycle	<i>each</i>	1.00	1.00
Tyres - 4WD	<i>each</i>	1.50	1.50
Tyres - Truck	<i>each</i>	5.50	5.50
Tyres - Tractor	<i>each</i>	5.50	5.50
			-
Resource Centres (Building and demolition Waste Only)	<i>per cubic metre</i>	22.50	21.00

Civic Centre		2007/08 Fee	2006/07 Fee
Hire			
Hourly Charge	<i>per hour</i>	19.00	16.50
Other			
Light Meters		4.00	2.00



History House	2007/08 Fee	2006/07 Fee
Admission		
Adults	5.00	3.00
Children	1.50	1.00
<i>Ratepayer Concession. Paid entry allows free return entry for the following 12 months</i>		
Photographs		
Postcard Size	8.00	8.00
Laser Copy A4	15.00	15.00
Laser Copy A3	15.00	15.00
Laminated	3.00	3.00
Sepia	3.00	3.00
Other		
Research	per hour	25.00
Approved Meetings	15.00	15.00
Photocopying	per copy	0.15
Postage	3.00	3.00
Courier Deliveries	at cost	at cost

PLANNING	2007/08 Fee	2006/07 Fee
<b>All Fees Listed are Deposits. Additional charges will be charged at time/cost</b>		
<b>Subdivisions</b>		
Boundary Adjustments	315.00	315.00
Non-notified (2 - 5 lots)	540.00	540.00
Non-notified (6 - 10 lots)	1,035.00	1,035.00
Non-notified (11+ lots)	1,410.00	1,406.25
Public notification - subdivision	900.00	900.00
s224 - without inspection	205.00	202.50
s224- with one inspection	315.00	315.00
s226 certificate	405.00	405.00
Other certificates (e.g. s223)	115.00	112.50
Esplanade reserve reduction/waiver	375.00	371.25
Reapproval lapsed consent	405.00	405.00
ROW/Easement amendments	285.00	281.25
<b>Land Use Consents</b>		
Hazardous substances	450.00	450.00
Signs	405.00	405.00
Relocated buildings	315.00	315.00
Bulk & locn/recession plane/setback	340.00	337.50
Heritage	315.00	315.00
Non-rural/residential activities	675.00	675.00
Utilities	405.00	405.00
Vegetation clearance	375.00	371.25
Sub-sized lots	630.00	630.00
Limited Notification - Land Use*	630.00	630.00
Public Notification - Land Use*	945.00	945.00
<b>Plan Changes</b>		
District Plan Changes - major	11,250.00	11,250.00
District Plan Changes - minor	5,625.00	5,625.00
<b>Other</b>		
Designation/Heritage Order	2,250.00	2,250.00
Alteration of designation	900.00	900.00
Compliance Certificate	225.00	225.00
s357 objection	340.00	337.50
Consent variation - non-notified	305.00	303.75
Consent variation - notified	585.00	585.00
Outline Plan	225.00	225.00
Comments on Draft Applications	staff hourly rates	staff hourly rates
Consultants/Peer Review	at cost	at cost
Hearings - Commissioner	at cost	at cost
- Facilities	at cost	at cost
Resource Consent Monitoring of Conditions	staff hourly rates	staff hourly rates
District Plan Sales - printed (Electronic Available Free)	175.00	150.00

\* Notification fee is in addition to deposit for consent type

BUILDING	2007/08 Fee	2006/07 Fee
<b>Set Fees (incl the appropriate CCC)</b>		
BWOF	-	-
BWOF Late Fee	150.00	150.00
Demolition - large /commercial	450.00	450.00
Demolition - residential	215.00	202.50
Fire Installations	230.00	225.00
Garages/carports	475.00	450.00
Garden Sheds	475.00	450.00
Minor building works	255.00	247.50
Minor plumbing & drainage	255.00	247.50
Relocated buildings	1,125.00	1,080.00
Swimming Pools	565.00	540.00
Towers/Signs etc	540.00	540.00
Marquees	155.00	-
<b>Deposits Only (Costs to be Charged based on Actual Time)</b>		
PIM (only)	135.00	135.00
CCC (flat fee - adds to consent fee)	340.00	337.50
<b>Residential</b>		
Minor Alterations	540.00	540.00
Major Alterations	1,035.00	1,035.00
Pre-fab construction dwellings	1,800.00	1,800.00
New Dwellings	2,475.00	2,475.00
Multi-Unit Residential	3,600.00	3,600.00
<b>Industrial/Commerical</b>		
Minor alterations	765.00	765.00
Major Alterations	2,025.00	2,025.00
Farm Buildings	475.00	472.50
Workshops	1,240.00	1,237.50
Woolsheds	1,350.00	1,350.00
Dairy sheds	2,250.00	2,250.00
Shop/Office - single	2,700.00	2,700.00
Shop/Office - complex	4,050.00	4,050.00
Large multi-function complex	6,525.00	6,525.00
Consultants/Peer Review		at cost
<b>Enforcement</b>		
Work done for a Certificate of Acceptance		100% loading on normal charges
Work done following a Notice to Fix		100% loading on normal charges

AMENITY MANAGEMENT	2007/08 Fee	2006/07 Fee
Advertising Signs Fees	75.00	75.00
Hawkers Fees	130.00	115.00
Itinerant Traders Fees	130.00	127.50
<b>Abandoned Vehicles</b>		
Towage	at cost	at cost
Inspection & Administration	per hour staff hourly rate + mileage	75.00
Storage of Vehicle	per day 7.00	6.00
<b>Amusement Devices</b>		
One Device	12.50	12.50
Each Additional Device	2.50	2.50
Each Device for a further period of 7 days	1.25	1.25

ANIMAL CONTROL	2007/08 Fee	2006/07 Fee
<b>Dog Registration</b>		
Pet	70.00	60.00
Desexed	52.00	48.00
Working	30.00	25.00
Late Regn	105.00	90.00
<b>Dog Impounding</b>		
1st Offence	55.00	55.00
2nd Offence	110.00	110.00
3rd Offence	165.00	165.00
Sustenance (per day)	10.00	7.75
<b>After Office Hours</b>		
Applicable Fee above Plus	staff hourly rate + mileage	\$75/hr + mileage



HEALTH	2007/08 Fee	2006/07 Fee
Food Licensing		
Food Gr 1	270.00	240.00
Food Gr 2	390.00	360.00
Food Gr 3	520.00	480.00
No Kitchen facilities	130.00	120.00
Hairdressers	250.00	225.00
Camping/Offensive Trades	250.00	225.00

OFFICIAL INFORMATION	2007/08 Fee	2006/07 Fee
LIMs	230.00	225.00

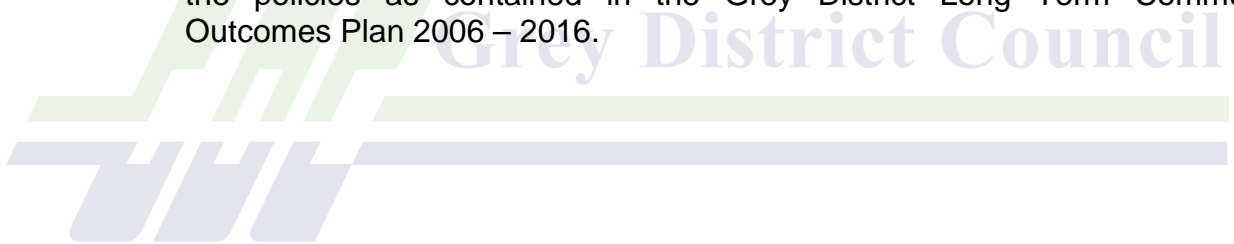
Administration - Charge Out Rates	2007/08 Fee	2006/07 Fee
Management/CEO	125.00	120.00
Engineers	95.00	95.00
Engineering Assistants/Officers	80.00	85.00
Planners	90.00	85.00
Building Officers	90.00	85.00
Monitoring Staff	80.00	75.00
Animal Control Officer	80.00	75.00
Administration/Customer Service Officers	60.00	55.00

*Fees and actual time hours are recoverable from applicants*



## **[F] policies**

Policies have been included where an amendment or there is a variation from the policies as contained in the Grey District Long Term Community Outcomes Plan 2006 – 2016.



# [1] revenue and financing policy

Section 103, Local Government Act 2002

Note: Description of specific facets of significant activities and the associated budgets is covered in the Long Term Community Outcomes Plan; refer SECTION C, Groups of Activities.

## [1.1] OBJECTIVE

To achieve a fair and equitable mix of funding for each of the activities undertaken by this Council. The sources of funds available to be used are:

- General rates
- Targeted rates
- Fees and charges
- Interest and dividends from investments
- Borrowing
- Proceeds from asset sales
- Development contributions
- Financial contributions (under the Resource Management Act 1991)
- Grants and subsidies
- Other sources

## [1.2] FUNDING METHODOLOGIES

Refer Section 103(3) of the Local Government Act 2002

In determining this question, Council took into consideration -

- the community outcome.
- the distribution of benefits between the community as a whole, any identifiable part of it and individuals.
- the period in or over which those benefits are expected to occur.
- the extent to which the actions/inactions of particular individuals or groups contribute to the need to undertake the activity.
- the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.
- the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community.

Based on this funding is done in a variety of ways referred to above. The actual impact is outlined in the below in [1.5] funding mix for significant activities.

## [1.3] OPERATING EXPENDITURE

The Council's policies and practices as regards to the funding of its operating expenses are set to ensure that it complies with applicable legislation and generally accepted accounting practice. The following table summarises the sources of funds used to fund operating expenses for Council's activities:

Significant Activities	General Rates	Targeted Rates	Grants & Subsidies	Fees & Charges	Interest	Other	Reserves	Borrowings
Roading	✓✓		✓✓			✓		
Stormwater & Flood Protection	✓✓							
Sewerage		✓✓						
Water Supply		✓✓						
Refuse Collection & Disposal*	✓✓	✓✓		✓✓				
Rural Fire Authority	✓✓			✓				
Economic Development**	✓✓	✓✓				✓		
Property and Housing	✓			✓✓				
Community Services and Facilities	✓✓		✓	✓				
Civil Defence	✓✓		✓					
Democracy	✓✓	✓					✓	
Administration			✓	✓	✓			
Environmental Services	✓✓			✓✓				
Liaison with other Agencies	✓✓							

✓✓ Denotes the more significant source of funding

✓ Denotes a source of funding

\* Refuse Collection is a targeted Rate

\*\* The 'District Promotion' Rate is a targeted rate payable by Commercial & Industrial ratepayers



### [1.3.a] general rates

Funding from general rates is applied to those activities where it has been deemed that there is a general District-wide benefit to providing the service, or where there would be an economic inefficiency to implement a targeted rate.

Bearing in mind the legislative 30% 'cap'<sup>2</sup> on charging a Uniform Annual General Charge, the uniform charge is applied where services relate more to people (e.g. Libraries).

### [1.3.b] targeted rates

Funding from targeted rates is applied to specific activities where it has been deemed that there is a direct benefit to those ratepayers receiving a particular service (e.g. Council reticulated water supply).

### [1.3.c] fees and charges

Where Council has deemed there is a direct or partial benefit to the end user (e.g. building control). For activities where enforcement action is necessary the exacerbator pays principle applies where practical.

### [1.3.d] interest

Council receives the majority of its interest relating to the special funds it has set aside (refer policy on special funds, page 109). The interest earned on these funds is transferred to the special funds balances. A small amount of interest is returned from time to time where Council has excesses of cash on hand, which is used to offset administration (internal) costs.

### [1.3.e] borrowing

Not used for operating expenditure.

### [1.3.f] proceeds from asset sales

Not used for operating expenditure.

### [1.3.g] development contributions

Not currently levied.

### [1.3.h] financial contributions (under the resource management act 1991)

Financial contributions are charged where new development creates increased demand on maintenance of reserves.

### [1.3.i] grants and subsidies

Council receives the majority of Grants and Subsidies in the form of financial assistance from Land Transport New Zealand.

### [1.3.j] other sources

Special funds are used:

- where funds have been accrued specifically for the purpose; and/or
- where the expenditure is unexpected and unavoidable.

## [1.4] CAPITAL EXPENDITURE

The Council's policies and practices as regards to the funding of its capital expenditure are set to ensure that it complies with applicable legislation and generally accepted accounting practice. The following table summarises the sources of funds used to fund capital expenses for Council's activities:

Significant Activities	General Rates	Targeted Rates	Grants & Subsidies	Fees & Charges	Interest	Other	Reserves	Borrowings
Roading	✓✓		✓✓	✓			✓	✓
Stormwater & Flood Protection	✓✓					✓	✓✓	
Sewerage		✓✓	✓✓	✓	✓	✓	✓✓	✓✓
Water Supply		✓✓		✓		✓	✓	✓✓
Refuse Collection & Disposal								✓✓
Rural Fire Authority	✓							
Economic Development							✓✓	
Property and Housing				✓			✓	✓
Community Services and Facilities	✓						✓✓	✓
Civil Defence								
Democracy								
Administration				✓				
Environmental Services	✓			✓			✓	
Liaison with other Agencies								

✓✓ Denotes the more significant source of funding  
 ✓ Denotes a source of funding

<sup>2</sup> In no case can the Uniform Annual General charge exceed 30 percent of total rates revenue (s21, Local Government (Rating) Act 2002)

#### [1.4.a] general rates

Funding from general rates is applied to those activities where it has been deemed that there is a general District-wide benefit to providing the service, or where there would be an economic inefficiency to implement a targeted rate.

Bearing in mind the legislative 30% cap<sup>3</sup> on charging a Uniform Annual General Charge, the uniform charge is applied where services relate more to people (e.g. Libraries).

#### [1.4.b] targeted rates

Funding from targeted rates is applied to specific activities where it has been deemed that there is a direct benefit to those ratepayers receiving a particular service (e.g. Council reticulated water supply).

#### [1.4.c] fees and Charges

Where Council has deemed there is a direct or partial benefit to the end user (e.g. building control). For activities where enforcement action is necessary the exacerbator pays principle applies where practical.

#### [1.4.d] interest

Council receives the majority of its interest relating to the special funds' it has set aside (refer policy on special funds, page 109). The interest earned on these funds is transferred to the special funds balances. A small amount of interest is returned from time to time where Council has excesses of cash on hand, which is used to offset administration (internal) costs.

#### [1.4.e] borrowing

Used to fund new developments where the benefit will extend into the future. The benefiting communities service the loan repayments.

#### [1.4.f] proceeds from asset sales

Set aside for future use, in line with Council's policy on Special Funds (refer policy on special funds, page 109 )

#### [1.4.g] development contributions

Not currently levied.

#### [1.4.h] financial contributions (under the resource management act 1991)

Charged where the demand for Council development in the present and future is from new development

#### [1.4.i] grants and subsidies

Council receives the majority of grants and subsidies in the form of financial assistance from Land Transport New Zealand. Subsidies are also used for the development of other infrastructure such as water reticulation and sewage disposal when made available.

#### [1.4.j] other sources

Special funds are used:

- where funds have been accrued specifically for the purpose; and/or
- where the expenditure is unexpected and unavoidable

### [1.5] FUNDING MIX FOR SIGNIFICANT ACTIVITIES

#### [1.5.a] roading

Budget 2006/07 \$	ROADING CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
31.0%	Rates - UAGC		
	Rates - General	27.5%	29.5%
	Rates - Targeted		
3.0%	User Charges	3.6%	2.6%
49.0%	Grants and Subsidies	57.9%	54.8%
6.9%	Reserves		
2.8%	Borrowing	4.6%	6.3%
7.3%	Other	6.3%	6.8%
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A District enjoying quality affordable essential services.
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - Law, order, personal and property safety.

<sup>3</sup> In no case can the Uniform Annual General charge exceed 30 percent of total rates revenue (s21, Local Government (Rating) Act 2002)

- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as people are free to use any public road in the District.
  - Financial assistance from Land Transport New Zealand in part reflects the private benefits. The local share payable by Council and works that are not eligible for financial assistance are funded mainly by general rates (refer table above).
  - The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For maintenance and renewals the benefits accrue to the current users of the District roading network and also future users by maintaining the current levels of service.
  - For the development of new roads, much of the benefit will be gained by future communities.
    - Where the development of new roads has been undertaken to facilitate economic development, the local share of the cost is loan funded to spread the cost over time.
    - New assets generated from new development are generally paid for by the developer, with the assets then vested in Council. Any share payable by Council is funded from special funds set aside for economic development.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - The demand for maintenance of roads is created directly from the amount and type of use of the roads.
  - Council receives financial assistance for the maintenance, renewal, and improvement of roads from Land Transport New Zealand, which is funded via petrol tax and road user charges. This in part reflects the demand usage on the roading network. The balance (local share) must be funded from other sources, the majority of which is rate funded.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The roading general rate makes up approximately 20% of Council's rate take, and therefore for accountability and transparency a separate general rate is struck.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - An efficient road transport network is deemed by Council as an essential service and therefore has a significant impact on the social, economic and environmental wellbeing of the community.

#### [1.5.b] stormwater & flood protection

Budget 2006/07 \$	STORMWATER & FLOOD PROTECTION CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
65.4%	Rates - UAGC Rates - General Rates - Targeted User Charges Grants and Subsidies	79.5%	66.4%
13.5%	Reserves	16.9%	13.0%
18.2%	Borrowing		17.9%
2.8%	Other	3.5%	2.7%
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A District enjoying quality affordable essential services.
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the wider community by having urban and other areas served with adequate stormwater disposal and protected from flooding.
  - Stormwater and Flood Protection are each funded by a separate general rate that is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For maintenance and renewals the benefits accrue to the current community and also future users by maintaining the current levels of service.
  - For the development of new assets, much of the benefit will be gained by future communities.
    - Capital improvements are loan funded to and repaid over the period of benefit.
    - New assets generated from new development are generally paid for by the developer, with the assets then vested in Council. Any share payable by Council is funded from special funds set aside for economic development.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - The demand for stormwater disposal is generated mostly by commercial and residential development in urban areas.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The stormwater and flood protection activities make up a significant portion of Council's rate take, and therefore for accountability and transparency a separate general rate is struck.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - An efficient stormwater disposal system and adequate flood protection are deemed by Council as essential services and therefore has a significant impact on the social, economic and environmental wellbeing of the community.

[1.5.c] sewerage

Budget 2006/07 \$	SEWERAGE CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
	Rates - UAGC		
	Rates - General		
25.6%	Rates - Targeted	35.2%	36.2%
3.9%	User Charges	24.8%	6.1%
32.9%	Grants and Subsidies	33.1%	34.4%
24.4%	Reserves	6.3%	
7.8%	Borrowing	0.3%	17.2%
5.4%	Other	0.3%	6.1%
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A District enjoying quality affordable essential services.
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the connecting properties that utilise a Council sewage disposal scheme.
  - Whilst effective sewage disposal has positive environmental benefits for the District as a whole, Council considers that only those properties that are connected or able to be connected to a Council scheme will pay via a targeted rate.
  - The targeted rate is set at a different rate for each scheme available/used (refer SECTION D[11] funding impact statement & other rating information ).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For maintenance and renewals the benefits accrue to the current users of the Council operated schemes as well as future users benefiting by maintaining the current levels of service.
  - For new developments, the benefit will be shared by current and future communities.
    - The Council share of new developments is paid directly by the benefiting communities, over the anticipated benefiting period.
    - Where available special funds may be used that have been set aside for the specific purpose
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Properties connected to Council schemes create the need for Council to operate and maintain schemes.
  - Some areas in the District where on-site disposal schemes are not working effectively create the need for those communities to have a Council scheme
  - New development creates the need for upgrades or new schemes. The cost is borne by those that benefit, either through targeted rates and/or financial contributions charged.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The targeted sewerage rates make up a significant portion of Council's rate take and therefore, for accountability and transparency, a separate rate is struck for each Council operated scheme.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - Sewage disposal is deemed by Council as an essential service and therefore has a significant impact on the social, economic and environmental wellbeing of the community.
  - Effective treatment and disposal will protect the health of current and future communities.
  - Effective treatment will prevent any adverse effect on the environment now and in the future.

[1.5.d] water supply

Budget 2006/07 \$	WATER SUPPLY CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
	Rates - UAGC		
	Rates - General		
65.7%	Rates - Targeted	68.1%	36.5%
	User Charges		2.6%
	Grants and Subsidies		
21.6%	Reserves	23.9%	0.7%
12.2%	Borrowing	7.5%	59.9%
0.6%	Other	0.5%	0.3%
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):

- o A District enjoying quality affordable essential services.
- o A thriving local economy creating opportunities.
- o An attractive District where residents want to be.
- o Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - o The benefits apply to the connecting properties that utilise a Council water reticulation scheme.
  - o Council considers that only those properties that are connected or able to be connected to a Council scheme will pay via a targeted rate.
  - o The targeted rate is set at a different rate for each scheme available/used (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - o For maintenance and renewals the benefits accrue to the current users of the Council operated schemes as well as future users benefiting by maintaining the current levels of service.
  - o For new developments, the benefit will be shared by current and future communities.
    - The Council share of new developments is paid directly by the benefiting communities, over the anticipated benefiting period (loan funded).
    - Where available special funds may be used that have been set aside for the specific purpose.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - o Properties connected to Council schemes create the need for Council to operate and maintain schemes.
  - o Some areas in the District where on-site collection schemes are not working effectively create the need for those communities to have a Council scheme
  - o New development creates the need for upgrades or new schemes. The cost is borne by those that benefit, either through targeted rates and/or financial contributions charged.
  - o High volume users contribute by way of a water meter rate.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - o The targeted water rates make up a significant portion of Council's rate take and therefore, for accountability and transparency, a separate rate is struck for each Council operated scheme.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - o Water supply is deemed by Council as an essential service and therefore has a significant impact on the social, economic and environmental wellbeing of the community.
  - o The supply of clean water will protect the health of current and future communities.
  - o Efficient use of water resources will prevent any adverse effect on the environment now and in the future.

[1.5.e] refuse collection & disposal

Budget 2006/07 \$	REFUSE CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
29.7%	Rates - UAGC	27.4%	26.6%
56.3%	Rates - General	55.3%	58.7%
14.1%	Rates - Targeted	16.5%	14.7%
	User Charges		
	Grants and Subsidies		
	Reserves	0.7%	
	Borrowing		
	Other		
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - o A District enjoying quality affordable essential services.
  - o A thriving local economy creating opportunities.
  - o An attractive District where residents want to be.
  - o Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - o A District-wide compliant facility for refuse has a benefit to the whole community and is serviced by a general rate.
  - o The cost of the Council refuse collection and disposal of the refuse is funded from a targeted rate, where those who benefit from the service pay.
  - o The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - o For maintenance and renewals the benefits accrue to the current users of the refuse collection and disposal service and also future users by maintaining the current levels of service.
  - o Development of new capacity in the landfill is funded over the period that the area will be operational. This includes future costs for monitoring and reinstating closed sites.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - o The demand for the operation and maintenance of facilities is created by the present community.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - o The refuse activity makes up a significant portion of Council's rate take and therefore, for accountability and transparency, a separate general rate and a separate targeted rate are struck.

- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - An efficient and compliant refuse disposal facility and refuse collection service are deemed by Council as essential services and therefore have a significant impact on the social, economic and environmental wellbeing of the community.
  - An environmentally compliant refuse disposal facility will protect the environment now and into the future.

[1.5.f] rural fire authority

Budget 2006/07	RURAL FIRE CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
94.5%	Rates - UAGC	81.8%	81.8%
	Rates - General		
	Rates - Targeted		
	User Charges		
5.5%	Grants and Subsidies	4.7%	4.7%
	Reserves	13.4%	13.4%
	Borrowing		
	Other		
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as the whole District benefits from an effective Rural Fire Service.
  - The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate against the level of benefit (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For maintenance and renewals the benefits accrue to the current community and also future users by maintaining the current levels of service.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Council has a statutory responsibility under the Forest and Rural Fires Act.
  - Council can recover costs from the exacerbator, however operation and maintenance costs are funded from a general rate
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The Rural Fire general rate makes up a small portion of Council's rate take. However for differentiation purposes a separate general rate is struck.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - Contributing towards an effective Rural Fire Service will protect the District environment now and into the future.

[1.5.g] economic development

Budget 2006/07	ECONOMIC DEVELOPMENT CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
10.2%	Rates - UAGC	15.3%	19.1%
38.5%	Rates - General	67.7%	68.3%
	Rates - Targeted		
	User Charges		
	Grants and Subsidies		
51.3%	Reserves	17.0%	12.6%
	Borrowing		
	Other		
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A thriving local economy creating opportunities.
  - Affordable access to quality medical health services.
  - An attractive District where residents want to be.
  - Affordable access to quality education.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as economic growth will have positive spin-offs for all ratepayers.
  - A separate targeted rate is levied against commercial and industrial properties, and used to fund specific District promotion.
  - The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).

- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - Benefits accrue to the current community as well as the facilitation of growth in the District having a long-term benefit. The benefits can potentially extend well beyond the period that the expenditure is incurred.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Council strategies to work in line with other district and regional agencies, such as The West Coast Development Trust.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The targeted 'District promotion' rate is levied specifically against commercial and industrial properties.
  - The residual funding balance is not a significant amount to warrant funding from a separate rate and is funded via the 'community services' general rate.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - Positive economic development has a significant impact on both the current community as well as future communities.

#### [1.5.h] property and housing

Budget 2006/07 \$	PROPERTY & HOUSING CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
	Rates - UAGC	0.5%	
3.0%	Rates - General	3.1%	4.6%
	Rates - Targeted		
42.0%	User Charges	40.2%	62.4%
0.1%	Grants and Subsidies	0.1%	0.2%
35.3%	Reserves	36.8%	6.0%
	Borrowing		
19.6%	Other	19.3%	26.8%
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - An active partnership between Council and our community.
  - Law, order, personal and property safety.
  - Good social development services.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits accrue mainly to the user of the facilities.
  - Municipal buildings are essential for all Council activities and costs are recovered against all activities undertaken by Council
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For operations, maintenance and renewals the benefits accrue to the current users the facilities and also future users by maintaining the current levels of service.
  - For the development of new facilities much of the benefit will be gained by future communities therefore any expenditure will be funded over the period of benefit.
    - New assets generated from new development are generally paid for by the developer, from financial contributions levied
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Demand for additional parking space is driven mainly by new development..
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The majority of funding is from user pays income.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community:
  - Council provided retirement housing has a significant social impact on the current community by providing affordable accommodation.

#### [1.5.i] community services and facilities

Budget 2006/07 \$	COMMUNITY SERVICES CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
33.5%	Rates - UAGC	18.9%	40.8%
26.4%	Rates - General	27.0%	32.4%
	Rates - Targeted		
8.3%	User Charges	5.9%	9.7%
6.6%	Grants and Subsidies	2.1%	0.9%
23.1%	Reserves	46.1%	10.9%
2.2%	Borrowing		5.2%
	Other		
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - Law, order, personal and property safety.
  - Affordable access to quality medical health services.
  - Affordable access to quality education.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as all residents have access to community facilities.
  - The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For operation, maintenance and renewals the benefits accrue to the current users of the facilities and also future users by maintaining the current levels of service.
  - For the development of new facilities, much of the benefit will be gained by future communities.
    - Where practical funding is spread over the full benefiting period
    - It is recognised that new development may also require the engagement of the community and funding from external sources. (e.g. proposed aquatic centre)
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - The Council undertakes these activities to ensure that the community has access to a broad range of recreational, arts, cultural and social opportunities.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - Community facilities make up a significant proportion of Council's rate take, and therefore for accountability and transparency a separate general rate is struck.
  - Some of the activities are funded from the Uniform Annual General Charge.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - A significant impact on the social, economic and environmental wellbeing of the community by providing recreational opportunities, cultural enrichment, and the opportunity to enhance mental and physical wellbeing

### **AMENDMENT from the 2006 – 16 Long Term Community Outcomes Plan:**

(refer section [B] amendments to the long term plan, page 10)

Council's Long Term Community Outcomes Plan signalled that the following activities would have their rate input funded from the Uniform Annual General Charge.

- Cemeteries
- Arts, Culture and Heritage

Council resolved in March 2007 that they would signal as part of this Draft Annual Plan to fund these activities from the general rate calculated on land value. These changes have subsequently been adopted by Council, June 2007.

Note that there has been no amendment to the rating input signalled, but rather the type of rating tool used. Also note that other sources of funds (such as user fees and charges) are used as displayed in the table above.

The effect of this is that instead of all properties paying an equal share towards the cost of these activities the individual input will now be determined by the relative property rateable value. For further detail on the calculation of rates please refer to the funding impact statement & other rating information on page 79

#### [1.5.j] civil defence

Budget 2006/07 \$	CIVIL DEFENCE CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
98.8%	Rates - UAGC Rates - General Rates - Targeted User Charges	98.8%	98.8%
1.2%	Grants and Subsidies Reserves Borrowing Other	1.2%	1.2%
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as the whole District benefits from Civil Defence.



- o The activity is funded from the Uniform Annual General Charge (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - o For operations and maintenance the benefits accrue to the current community and also future users by maintaining the current levels of service.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - o Council has a statutory responsibility to have a current Civil Defence Emergency Management Plan.
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - o Funded from the Uniform Annual General Charge.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community:
  - o A significant impact on the current and future social, economic, environmental, and cultural wellbeing, through maintaining readiness to respond to District emergencies.

[1.5.k] democracy

Budget 2006/07	DEMOCRACY CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
52.4%	Rates - UAGC	61.7%	55.2%
4.5%	Rates - General		
	Rates - Targeted		
	User Charges	1.2%	1.1%
	Grants and Subsidies		
2.5%	Reserves	3.0%	2.4%
	Borrowing		
40.7%	Other	34.1%	41.3%
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - o Council has a direct influence over the achievement of all outcomes in the Long Term Community Outcomes Plan
    - A District enjoying quality affordable essential services.
    - A thriving local economy creating opportunities.
    - Affordable access to quality medical health services.
    - An attractive District where residents want to be.
    - An active partnership between Council and our community.
    - Law, order, personal and property safety.
    - Affordable access to quality education.
    - Good social development services.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - o The benefits apply to the community as a whole as decisions affect individuals and properties throughout the District.
  - o The funding requirements of Council are funded from the Uniform Annual General Charge, whilst the costs of the Northern Ward Community Board are funded via a targeted rate against properties within the ward. (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - o For Council operations the benefits accrue to the current ratepayers of the District. Effective decision making may have benefits that extend beyond the period of expenditure.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - o N/A
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - o For accountability and transparency a targeted rate is struck from community board costs.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community:
  - o Significant impact on the social, economic, environmental and cultural wellbeing of the community, in terms of providing effective decision making, community leadership, and effective and open consultation.

[1.5.l] administration

Budget 2006/07	ADMINISTRATION CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08	LTCCP Budget
\$		\$	\$
	Rates - UAGC		
	Rates - General		
	Rates - Targeted		
34.1%	User Charges	31.6%	30.6%
11.9%	Grants and Subsidies	14.7%	12.8%
38.2%	Reserves	39.9%	42.8%
	Borrowing		
15.9%	Other	13.8%	13.8%
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - Efficient Council administration has a direct influence over the achievement of all outcomes in the Long Term Community Outcomes Plan
    - A District enjoying quality affordable essential services.
    - A thriving local economy creating opportunities.
    - Affordable access to quality medical health services.
    - An attractive District where residents want to be.
    - An active partnership between Council and our community.
    - Law, order, personal and property safety.
    - Affordable access to quality education.
    - Good social development services.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as a whole as implementation of Council decisions and policies affect individuals and properties throughout the District.
  - The majority of costs are recovered against all Council activities by way of a corporate charge.
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - For Council administration the benefits accrue to the current ratepayers of the District. Effective implementation of Council decisions and policies may have benefits that extend beyond the period of expenditure.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - N/A
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - For accountability and transparency the activity is disclosed separately.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community:
  - Significant impact on the social, economic, environmental and cultural wellbeing of the community, in terms of providing effective and efficient administration.



[1.5.m] environmental services

Budget 2006/07 \$	ENVIRONMENTAL SERVICES CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
19.4%	Rates - UAGC	1.7%	17.5%
26.5%	Rates - General	36.5%	26.4%
	Rates - Targeted		
52.3%	User Charges	58.6%	52.5%
	Grants and Subsidies		
1.8%	Reserves	3.2%	3.6%
	Borrowing		
	Other		
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A District enjoying quality affordable essential services.
  - A thriving local economy creating opportunities.
  - An attractive District where residents want to be.
  - An active partnership between Council and our community.
  - Law, order, personal and property safety.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - Policy and strategy aspects are considered to have predominantly public benefit and are funded from general rates.
  - Regulatory and enforcement aspects are funded mainly from user fees and charges, although there is a portion of public benefit (e.g. public safety through consented building works).
  - The general rate is differentiated amongst different rating categories for a more equitable split of who pays what proportion of the rate (refer SECTION D[11] funding impact statement & other rating information).
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - Planning provides current and ongoing benefits through the sustainable development of Council/Community vision.
  - Consenting work provided benefit to the applicant both present and into the future.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - Application for resource/building consents require the Council to undertake the work and this is funded from User Fees and Charges
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The District Planning and Amenity Management activities make up a significant proportion of Council's rate take and therefore, for accountability and transparency, a separate general rate is struck.
  - The residual funding balance is from the Uniform Annual General Charge
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community:
  - Significant impact on the social, economic, and environmental wellbeing of the community through ensuring that the District's development is sustainable.

**AMENDMENT from the 2006 – 16 Long Term Community Outcomes Plan:**

(refer section [B] amendments to the long term plan, page 10)

Council's Long Term Community Outcomes Plan signalled that the following activities would have their rate input funded from the Uniform Annual General Charge.

- Dog and Stock Control
- Building Control
- Health Regulation

Council resolved in March 2007 that they would signal as part of this Draft Annual Plan to fund these activities from the general rate calculated on land value. These changes have subsequently been adopted by Council, June 2007.

Note that there has been no amendment to the rating input signalled, but rather the type of rating tool used. Also note that other sources of funds (such as user fees and charges) are used as displayed in the table above.

The effect of this is that instead of all properties paying an equal share towards the cost of these activities the individual input will now be determined by the relative property rateable value. For further detail on the calculation of rates please refer to the funding impact statement & other rating information on page 79

[1.5.n] liaison with other agencies

Budget 2006/07 \$	LIASION WITH OTHER AGENCIES CAPITAL ITEMS & SOURCES OF FUNDS	Adopted Budget 2007/08 \$	LTCCP Budget \$
38.2%	Rates - UAGC Rates - General Rates - Targeted User Charges	40.2%	39.3%
61.8%	Grants and Subsidies Reserves Borrowing Other	59.8%	60.7%
<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>

- Community outcomes to which this activity primarily contributes (s101(3)(a)(i) Local Government Act 2002):
  - A thriving local economy creating opportunities.
  - Affordable access to quality medical health services.
  - An attractive District where residents want to be.
  - Law, order, personal and property safety.
  - An active partnership between Council and our community.
  - Affordable access to quality education.
- Distribution of benefits (s101(3)(a)(ii) Local Government Act 2002):
  - The benefits apply to the community as Council acts as the agency to achieve the specific outcomes to benefit the whole District.
- Period over which benefits occur (s101(3)(iii) Local Government Act 2002):
  - Costs of funding these activities lie with the current community.
- Extent to which actions or inaction of others contribute to the need for Council to undertake the activity (s101(3)(iv) Local Government Act 2002):
  - N/A
- Costs and benefits funding the activity distinctly from other activities (s101(3)(v) Local Government Act 2002):
  - The activities do not have a significant amount of rate input and are funded from the Uniform Annual General Charge.
- Impact on the current and future social, economic, environmental and cultural wellbeing of the community
  - Achievement of the associated outcomes will have a significant impact on the current and future social, economic, environmental and cultural wellbeing of the community.

## [2] rating policies

### [2.1] RATE REMISSION POLICY 1 – RATING OF COMMUNITY, SPORTING AND OTHER ORGANISATIONS

#### [2.1.a] objectives of the policy

- To facilitate the ongoing provision of non-commercial (non-business) community services that meet the needs of Grey District residents.
- To facilitate the ongoing provision of non-commercial (non-business) recreational opportunities for Grey District residents.
- To assist the organisation's survival; and
- To make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people and economically disadvantaged people.

#### [2.1.b] conditions and criteria

The Council shall remit rates where the application meets the following criteria:

- The policy will apply to land owned by the Council or owned and occupied by a charitable organisation, which is used exclusively or principally for sporting, recreation or community purposes.
- The policy will not apply to organisations operated for private pecuniary profit, or which charge commercial tuition fees.
- The policy will not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting or community services as a secondary purpose only.
- An application for a new rate remission must be made to the Council prior to 1 June for the following rating year. Organisations with an existing remission will have the remission carried forward unless Council advises the organisation before 31 May that they need to re-apply. Council can request documents as outlined under the under mentioned conditions from organisations receiving a remission in subsequent years.
- Organisations making an application should include the following documents in support of their application:
  - statement of objectives;
  - full financial accounts;
  - information on activities and programmes;
  - details of membership or clients.

A 50% or 100% remission is available on General Rates, determined on eligibility under above criteria.

The policy shall apply to such organisations as approved by the Council as meeting the relevant criteria. The Council may delegate the authority to make such approvals to the Manager, Finance & Information Technology.

Remissions granted will apply to general rates and the uniform annual general charge. No remission will be granted on targeted rates for water supply, sewage disposal or refuse collection.

### [2.2] RATE REMISSION POLICY 2 – REMISSION OF PENALTIES AND SMALL BALANCES

#### [2.2.a] objective of the policy

The objective of the remission policy is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date due to circumstances outside the ratepayers' control.

#### [2.2.b] conditions and criteria

The Council shall remit the penalty rates where the application meets the following criteria:-

- Automatic remission of the penalties incurred on instalment one will be made where the ratepayer pays the total amount due for the year on or before the penalty date of the second instalment.
- Remission of one penalty will be considered in any one rating year where payment has been late due to significant family disruption. Remission will be considered in the case of death, illness, or accident of a family member as at the due date.
- The ratepayer is a beneficiary, earns a low income, or has recently been made redundant or unemployed, is without substantial other income and has exhausted other avenues of relief, and where the ratepayer makes acceptable arrangements for the payment of future rates.
- There are extenuating circumstances, e.g. loss of records by fire or theft.
- The ratepayer had paid after the penalty date but has not previously incurred a penalty for late payment for their property within the last three years
- The ratepayer has completed purchase of the property concerned but has not received notice of instalment of rates, e.g. in the case of a cross lease or subdivision in progress where the rates notices continue to be sent to the previous owner until the end of the financial year, resulting in the new owner(s) incurring penalties.
- The ratepayer is no longer able to manage his/her own affairs because of age and/or health issues and another person has assumed responsibility for the payment of accounts (limited to one application per ratepayer).
- The ratepayer has contacted Council prior to a penalty date to advise that he/she would not have funds available to pay the instalment charge until after the penalty date, as long as payment is then completed within fourteen (14) days of the penalty date. (Limited to one penalty only).

- Where there is a small balance overdue, which is uneconomically small to collect. This may be written off in line with other Council procedures and accordingly penalties will not be applied. (less than \$10)
- Where the circumstances are such that to not remit some or all of the penalties would be unfair or unreasonable and inconsistent when compared to the criteria in (1 – 8) above.

[2.2.c] delegation of decision making

Decisions on remission of penalties will be delegated to the Manager, Finance and Information Technology.

**[2.3] RATE REMISSION POLICY 3 – REMISSION OF SOME UNIFORM ANNUAL GENERAL CHARGES ON RATING UNITS**

This policy will apply to rating units which are:-

- Used for residential purposes and which include a separately inhabited part occupied by a dependent member of the family of the owner of the rating unit.

[2.3.a] objective of the policy

The policy is to provide for the possibility of rates remission where more than one uniform annual general charge is assessed on a rating unit because that rating unit comprises more than one separately used or inhabited part and where the rating unit is used for residential purposes and includes a separately inhabited part occupied by a dependant member of the family of the owner of the rating unit.

[2.3.b] conditions and criteria

The Council may remit the specified rates where the application meets the following criteria:-

- The rating units must be used as the owner's residence but also contain a minor flat or other residential accommodation unit which is inhabited by a member of the owner's family who is dependent on the owner for financial support (e.g. a granny flat).
- The owner(s) of the rating unit must complete and provide to the Council a statutory declaration stating that these conditions above apply. Such a declaration will be effective for three years or until the conditions cease to be met, whichever is earlier. A fresh declaration must be completed and provided in order to qualify for consideration for remission beyond the first three year period.

The rates which may be remitted are as follows:-

- Any uniform charge assessment in respect of the rating unit, apart from the first of each.

The Manager, Finance and Information Technology will be delegated authority to consider applications for the remission of any rates in terms of this policy and, if appropriate, to approve or decline them.

**[2.4] RATE REMISSION POLICY 4 – REMISSION OF EXCESS WATER RATES**

[2.4.a] objective of policy

To standardise procedures to assist ratepayers who have excess metered water rates due to a fault (leak) in the internal reticulation serving their rating unit.

[2.4.b] conditions and criteria

The Council shall remit the excess water rates where the application meets the following criteria:-

- The policy will apply to applications from ratepayers who have excess metered water rates due to a fault(s) in the internal reticulation.
- That all applicants are requested to submit their application in writing.
- That proof of the repairs to the internal reticulation be submitted for verification (i.e. plumber's repair account).
- That the ratepayer be charged the full charge for normal consumption.
- That the excess consumption be charged at the cost price of the water to Council.
- That the balance of the account being the difference to be remitted.
- That the ratepayer be offered the opportunity to pay the account off by instalments where the amount is still excessive.

NOTE: If Council are the ones to notify the ratepayer of a suspected leak and it is not fixed within two weeks there will be no remission for the ratepayer.

[2.4.c] delegation of decision making

The Manager, Finance and Information Technology will be delegated authority to consider applications for remission of excess water rates and, if appropriate, approve or decline them.

This policy must be consistent with Council's water supply bylaw.

**[2.5] RATE REMISSION POLICY 5 – RATES ON GDC OWNED AND/OR OCCUPIED LAND**

[2.5.a] objective of policy

To account for the rates that are liable for payment by the Grey District Council.

[2.5.b] conditions and criteria

This policy applies only to rating units for which the Grey District Council is liable for the payment of rates under the Local Government (Rating) Act, 2002.

Amount remitted - Council can decide to remit all or part of the annual levy struck for all or some of such rating units.

[2.5.c] delegation of decision making

N/A

[2.5.d] review process

The policy will be reviewed annually as part of the Annual Plan process.

**[2.6] RATE REMISSION POLICY 6 - LAND AFFECTED BY NATURAL CALAMITY**

This remission applies to owners where they meet the following objectives and criteria.

[2.6.a] objectives of the policy

To assist ratepayers experiencing extreme financial hardship due to a natural calamity that affects their ability to pay rates.

[2.6.b] conditions and criteria

Remissions approved under this policy do not set a precedent and will be applied only for each specific event and only to properties affected by the event.

The Council may remit all or part or any rate on any rating unit where the application meets the following criteria:

- Where erosion, subsidence, submersion or other natural calamity has affected the use or occupation of a rating unit, and
- It is applicable for each single event and does not apply to erosion, subsidence etc... that may have occurred without a recognised major event, and
- Where the Government has established a reimbursement scheme for rates remitted in respect of such properties, and
- The Council can set additional criteria for each event. This is because the criteria may change depending on the nature and severity of the event and available funding at the time. The Council may require financial or other records to be provided as part of the remission approval process.

[2.6.c] delegation of decision making

In the event of a natural calamity meeting these criteria, Council will delegate authority to a sub-committee made up of at least one elected representative and one staff member.

**[2.7] RATE REMISSION POLICY 7 - FINANCIAL CONTRIBUTING MEMBERS OF THE WEST COAST RURAL FIRE DISTRICT**

[2.7.a] objectives of the policy

To recognise financial contributors to the West Coast Rural Fire Authority and as such not levy these ratepayers for Council's share of the contribution.

[2.7.b] conditions and criteria

This is available only to those ratepayers who are financial contributors to the board of the West Coast Rural Fire District. Such ratepayers will be eligible for a portion of the Rural Fire Authority levied on each of their properties to be remitted on the following ratio:

$$a/b \times b/c$$

where:

**a** = ratepayers annual financial contribution to Rural Fire Authority

**b** = Grey District Council annual financial contribution to Rural Fire Authority

**c** = Total Annual Rate Requirement for Grey District Council activity Rural Fire Authority.

The Council may require financial records (e.g. a receipt from the West Coast Rural Fire Authority, showing payment received) as part of the remission approval process.

[2.7.c] delegation of decision making

The Manager, Finance and Information Technology will be delegated authority to consider applications for the remission of any rates in terms of this policy and, if appropriate to approve or decline them.

**[2.8] POLICY FOR EARLY PAYMENT OF RATES IN THE CURRENT FINANCIAL YEAR (DISCOUNT POLICY)**

[2.8.a] objective of policy

To provide a consistent and fair basis for the application of discount for the early payment of rates in the current financial year.

#### [2.8.b] conditions and criteria

Ratepayers receive a discount if all due rates are paid in full, together with any outstanding prior years' rates and penalties by 4:30pm on the due date for payment of the first instalment in the current year (in accordance with s55 of the Local Government (Rating) Act 2002).

The amount of the discount will be advised in the Annual Plan each year.

#### [2.8.c] delegation of decision making

Decisions relating to whether a ratepayer qualified for a discount for early payment of rates will be delegated to the Manager Finance and Information Technology, who will act in accordance with the relevant Council resolution.

#### [2.8.d] review process

- The discount rate will be reviewed annually taking into consideration current borrowing interest rates and will be calculated to be fiscally neutral.
- The overall discount policy will be reviewed as required, but not more often than annually.

### [2.9] COLLECTION OF UNPAID RATES

#### [2.9.a] objective of this policy

Council will endeavour to recover any unpaid rates and penalties and subsequent collection costs through the provisions of the Local Government (Rating) Act 2002.

#### [2.9.b] conditions and criteria

Where it is deemed uneconomic to continue with recovery, an alternative outcome will be decided by Council.

#### [2.9.c] delegation of decision making

The Manager of Finance and Information Technology will seek alternative outcomes on small balances (less than \$1,000.00 total outstanding rates and penalties).





# [3] policy on special funds

## [3.1] GENERAL POLICY

- Access to special funds can only be achieved in pursuance of this policy.
- Interest earned by special funds will be allocated on the following basis:
  - \$90,000 per annum returned to the Land Sale Reserve
  - Remaining returns allocated across all remaining funds on a pro-rata basis
- Access to special funds will be through the annual plan process. However, Council can, by majority decision, access funds from special funds if :-
  - the expenditure is totally unexpected and could not have been foreseen in the Annual Plan.
  - the expenditure is unavoidable.
  - the expenditure cannot be funded ex savings on the current Annual Plan.
  - the purpose for which funding is sought is not controversial and therefore unlikely to result in public debate.
  - the expenditure will not represent a major departure from the current LTCOP resulting in an audit.
- Where the purpose for which funding is required is likely to be controversial, or where such funding exceeds \$250,000.00, the funding will not become available until Council has consulted the public on the matter and have confirmed the funding after having considered public input received.

The policy may be reviewed at any time but must be reviewed every three years as part of Council's Treasury/Funding Policies.

## [3.2] SPECIFIC FUND CONDITIONS

Provision is made for five reserve fund groups on the following basis:

- Infrastructural Assets Reserves
- Community Assets Reserves
- General Purpose Reserves
- Port Reserves
- Bequests, Grants, etc.

Grey District Council

## [3.3] INFRASTRUCTURAL ASSET RESERVES

### [3.3.a] the infrastructural renewal reserve

- History
  - Two reserve funds, the Infrastructural Development Reserve and the Infrastructural Renewal Reserve have been combined to form this reserve.
- Purpose
  - To fund expenditure in connection with deferred maintenance, major maintenance and renewal in respect of roading (including footpaths), sewer, water, stormwater and refuse disposal/removal.
- Contributions
  - Any unspent funding of depreciation of infrastructural assets
  - An amount per annum from general rates as determined by Council as part of each year's Annual Plan.

### [3.3.b] greymouth sewerage fund

- History
  - Beneficiaries under the Greymouth Area Sewerage Scheme have been paying a targeted rate contribution towards the expected cost of upgrade of the scheme since 1 July 1997.
- Purpose
  - To fund the Greymouth Area Sewerage Scheme.
- Contributions<sup>4</sup>
  - Net ratepayer contributions, government grants, and external subsidies

### [3.3.c] karoro water supply reserve

- History
  - As part of the establishment of Karoro, provision was made for extensions/upgrades of the Karoro water supply.
- Purpose
  - To extend/upgrade the Karoro water supply.
- Contributions
  - N/A

### [3.3.d] rural sewerage works capital reserve

- History
  - This fund was raised against ratepayers other than Greymouth, Blaketown and Cobden.
- Purpose
  - To fund enhancement and development sewerage schemes other than the Greymouth Area scheme.

<sup>4</sup> Reserve expected to be wound up when project is completed.

- o Contributions
  - None. Costs are now recovered against benefiting communities on a user-pays basis by means of targeted rates.

#### [3.3.e] cobden stormwater mitigation reserve

- o History
  - This fund was earmarked to address stormwater issues.
- o Purpose
  - To fund enhancement of stormwater management in Cobden.
- o Contributions
  - N/A

#### [3.3.f] karoro treatment plant reserve

- o History
  - As part of the establishment of Karoro, provision was made for extensions/upgrades to the Karoro Treatment Works. Since 2003/2004 a special rate contribution is made by Karoro, South Greymouth and South Beach/Paroa residents.
- o Purpose
  - To fund upgrades/extensions to Karoro Treatment Plant.
- o Contributions<sup>5</sup>
  - Contributions by benefiting properties in South Greymouth, Karoro and South Beach/Paroa
  - Any Government subsidies in terms of SWSS (Sanitary Works Subsidy Scheme)

#### [3.3.g] blackball sewerage upgrade reserve

- o History
  - Properties in Blackball have been making a targeted rate contribution towards the upgrade of its sewer since 2003/2004.
- o Purpose
  - To fund a sewerage scheme for Blackball.
- o Contributions<sup>5</sup>
  - Contributions by benefiting properties.
  - Any Government subsidies in terms of SWSS (Sanitary Works Subsidy Scheme)

#### [3.3.h] disaster recovery reserve

- o History
  - This fund was created to fund Council's excess on its infrastructural assets in the event of a disaster.
- o Purpose
  - To fund Council's excess on the loss of infrastructural assets in the event of a major disaster.
- o Contributions
  - The \$10,000 per annum as minimum with the fund capped at the value of Council's excess requirement based on the total value of such assets.

### [3.4] AREA INFRASTRUCTURAL RESERVES

#### [3.4.a] barrytown area infrastructure development reserve

- o History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- o Purpose
  - To develop/improve infrastructure in the Barrytown area per the preference of people in the area.
- o Contributions
  - 1.45% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

#### [3.4.b] atarau area infrastructure development reserve

- o History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- o Purpose
  - To develop/improve infrastructure in the Atarau area per the preference of people in the area.
- o Contributions
  - 1.03% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

#### [3.4.c] ahaura area infrastructure development reserve

- o History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- o Purpose
  - To develop/improve infrastructure in the Ahaura area per the preference of people in the area.
- o Contributions
  - 2.92% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

<sup>5</sup> Reserve expected to be wound up when project is completed.

<sup>6</sup> Reserve expected to be wound up when project is completed.

#### [3.4.d] haupiri area infrastructure development reserve

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Haupiri area per the preference of people in the area.
- Contributions
  - 1.52% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

#### [3.4.e] nelson creek area infrastructure development reserve

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Nelson Creek area per the preference of people in the area.
- Contributions
  - 2.43% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

#### [3.4.f] blackball area infrastructure development reserve

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To part-fund the sewer reticulation and disposal for Blackball per the preference of people in the area.
- Contributions
  - 3.00% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

#### [3.4.g] runanga area infrastructure development reserve

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Runanga area per the preference of people in the area.
- Contributions
  - 13.17% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

#### [3.4.h] kaiata/stillwater area infrastructure development reserve

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Kaiata/Stillwater area per the preference of people in the area.
- Contributions
  - 6.62% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

#### [3.4.i] karoro-gladstone area infrastructure development reserve

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Karoro to Gladstone area per the preference of people in the area.
- Contributions
  - 15.50% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

#### [3.4.j] arnold valley area infrastructure development reserve

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Arnold Valley area per the preference of people in the area.
- Contributions
  - 0.85% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

#### [3.4.k] lake brunner area infrastructure development reserve

- History
  - The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Lake Brunner area per the preference of people in the area.
- Contributions
  - 2.54% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

#### [3.4.l] hohonu area infrastructure development reserve

- History

- The division of the \$7 million resulted in an area infrastructure development reserve being created.
- Purpose
  - To develop/improve infrastructure in the Hohonu area per the preference of people in the area.
- Contributions
  - 0.39% of the value of the \$7 million *ad hoc* development grant received from Government (less \$1 million economic development grant)

### [3.5] COMMUNITY ASSET RESERVES

#### [3.5.a] the community asset renewal reserve

- History
  - The fund has been created for depreciation levies.
- Purpose
  - To fund expenditure in connection with deferred maintenance, major maintenance and renewal in respect of community assets which fall outside the dedicated community asset reserves.
- Contributions
  - Depreciation on community assets credited, subject to sufficient operating revenue being available.

### [3.6] DEDICATED COMMUNITY ASSET RESERVES

#### [3.6.a] swimming baths plant reserves

- History
  - Fund created to fund replacement or enhancement of existing swimming pool equipment.
- Purpose
  - To fund expenditure in connection with replacement or enhancement of pool equipment/ plant.
- Contributions
  - Depreciation on pool plant/equipment.
  - \$5,000 per annum from general rates

#### [3.6.b] parking areas reserves

- History
  - Fund created from financial purpose in lieu of parking and annual surpluses on parking account.
- Purpose
  - To fund provision of car parks.
- Contributions
  - Financial purpose in lieu of parking.
  - Surpluses on parking activity account.

#### [3.6.c] parking areas development reserve

- History
  - Fund created to fund re-seal/development of parking areas.
- Purpose
  - To fund development/major maintenance of parking areas.
- Contributions
  - Depreciation on parking areas funded.

#### [3.6.d] airport runway re-seal reserve

- History
  - Reserve created to provide for re-seal of airport runway from time to time.
- Purpose
  - To fund the periodic re-seal of airport runway.
- Contributions
  - Depreciation on airport runway funded, subject to operating revenue being available

#### [3.6.e] town clock reserve

- History
  - Reserve created to provide for replacement/major maintenance of town clock.
- Purpose
  - To fund renewal/major maintenance of town clock.
- Contributions
  - Depreciation on town clock funded.
  - \$2,000 from rates per annum.

#### [3.6.f] cemetery extension reserve

- History
  - Reserve created to fund development of new and existing cemeteries as well as the cost of closure and post closure.
- Purpose
  - To fund new and extensions to existing cemeteries as well as closure and post closure costs.
- Contributions
  - \$10,000 from rates per annum.

#### [3.6.g] cemetery maintenance in perpetuity reserve

- History
  - Funds received from excess maintenance in perpetuity fees above annual maintenance.
- Purpose
  - To fund renewal and maintenance of cemeteries.
- Contributions
  - Interment paid on reservation of grave plots in advance

#### [3.6.h] rental housing reserve

- History
  - Reserve created to fund maintenance in perpetuity of Council's disadvantaged and old age housing stock.
- Purpose
  - To maintain in perpetuity, Council's disadvantaged and old age housing stock and to reduce existing loans against the housing stock.
- Contributions
  - Depreciation on old age/disadvantaged housing activity.
  - Surplus on activity.

#### [3.6.i] economic development reserve

- History
  - The reserve was created when \$1 million of the \$7 million *ad hoc* grant was earmarked for economic development.
- Purpose
  - To fund economic development.
- Contributions
  - Interest on loans from the Central West Coast Development Facilitation Fund.
  - Repayment of loans from reserve.

#### [3.6.j] reserves contribution reserve

- History
  - Reserve created from reserves development Purpose.
- Purpose
  - To fund the creation of new reserves in/for subdivisions.
- Contributions
  - New reserve development Purpose.

### [3.7] FUNCTIONAL COMMUNITY ASSETS RESERVES

#### [3.7.a] plant and machinery reserve

- History
  - Reserve created for depreciation on plant and machinery.
- Purpose
  - To replace existing machinery, or effect major maintenance to existing machinery.
- Contributions
  - Depreciation on plant and machinery funded.

#### [3.7.b] sunshine coach reserve

- History
  - New reserve
- Purpose
  - To replace, or effect major maintenance, or make major addition to existing asset(s)
- Purpose:
  - Depreciation funded on existing asset(s);
  - Donations Contributed from Users of the Asset(s);
  - Residual Balance from unallocated portion of Annual Budget for the asset(s) operating expenditure at end of each financial year.

#### [3.7.c] building and property general reserve

- History
  - Reserve created for major maintenance or enhancement of Council buildings and associated facilities.
- Purpose
  - To fund major maintenance and renewal of Council buildings and associated facilities excluding dedicated reserves.
- Contributions
  - Depreciation on Council buildings/property and associated facilities.

#### [3.7.d] corporate equipment and furniture replacement reserve

- History
  - Reserve created for upgrade or replacement of office equipment and furniture.
- Purpose
  - To fund the upgrade and renewal of office equipment and furniture.
  - To fund new office equipment and investment in new technology.
- Contributions
  - Depreciation on furniture and equipment funded.
  - \$10,000 from rates per annum.

### [3.8] GENERAL PURPOSE RESERVES

#### [3.8.a] central westland services limited share sale reserve

- History
  - Reserve created from the sale of Council's Local Authority Trading Enterprise (now referred to as CCO) in 1997.
- Purpose
  - To fund any activity of a non-maintenance nature.
- Contributions
  - N/A

#### [3.8.b] haddock road reserve fund

- History
  - Created as a holding account for money to fund future building of road/culvert.
- Purpose
  - To fund the building of a road/culvert to provide access to development land.
- Contributions
  - N/A

#### [3.8.c] rural fire authority reserve (capped at \$100,000)

- History
  - Reserve created to fund significant fire events during any year.
- Purpose
  - To fund the expenditure associated with major fires.
- Contributions
  - NIL

#### [3.8.d] land sales reserves

- History
  - Two reserves, restricted and unrestricted land sales reserves combined into one.
- Purpose
  - Interest Returned on this reserve used as a revenue source for operating and capital costs associated with Council's property portfolio
  - To fund purchase of land, key strategic assets and obtaining fee simple ownership of leasehold property.
  - To fund other significant projects as decided by Council as part of the Annual Plan.
- Contributions
  - Net proceeds of land sold (not Harbour Board Endowment Land)
  - The balance of this reserve will be built up to a minimum of \$1,500,000. The minimum balance will be adjusted annually equivalent to the movement in the CPI (effective from 01 July 2007), or further increased by Council resolution.

#### **VARIATION from the 2006 – 16 Long Term Community Outcomes Plan:**

The following criteria have been added to Council's policy relating to funds held in the 'Land Sales Reserve'.

".....

- Purpose
  - *Interest Returned on this reserve used as a revenue source for operating and capital costs associated with Council's property portfolio.....*
- Contributions.....
  - *The balance of this reserve will be built up to a minimum of \$1,500,000. The minimum balance will be adjusted annually equivalent to the movement in the CPI (effective from 01 July 2007), or further increased by Council resolution."*

These criteria have been added in recognition that Council receives a decreased income return from land that has been freeholded in recent years. The capital contributions received from selling of such land will be therefore set aside to return income from investment returns.

#### [3.8.e] district planning reserve

- History
  - Fund created to meet unexpected costs arising from District Plan review or one-off projects associated with planning and regulations.
- Purpose
  - To fund unexpected costs arising from District Plan reviews or one-off projects associated with planning and regulations.
- Contributions
  - Levies against applicants for variations to District Plan or specific actions.

#### [3.8.f] loan repayment reserve

- History
  - Fund created to repay loans as they fall due. Specific funds set aside for this Purpose also paid into reserve.
- Purpose
  - To fund repayment of loans not otherwise provided for.
- Contributions
  - Specific surpluses from activities that have outstanding debt.

#### [3.8.g] general purpose reserve

- History
  - Reserve created to fund one-off unexpected expenditure of a general nature.
- Purpose
  - To fund general expenditure.
- Contributions
  - N/A

#### [3.8.h] maori land compensation reserve

- History
  - Grant from Government to offset impact of market related ground leases owned by Mawhera Incorporation.
- Purpose
  - To fund rent increases on land leased from the Mawhera Incorporation.
- Contributions
  - N/A

### [3.9] PORT RESERVES

#### [3.9.a] harbour endowment land sales reserve

- History
  - Reserve created for income from Harbour Endowment land sales.
- Purpose
  - Purchase of new port land
  - Operation, maintenance and development of Port Westland
- Contributions
  - Proceeds of sale of Harbour Endowment land.

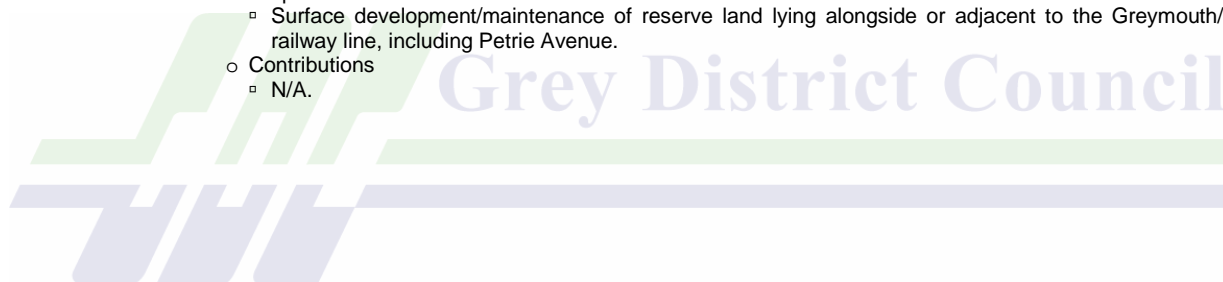
### [3.10] BEQUESTS

#### [3.10.a] mcglashan trust

- History
  - An annual contribution is received from this Trust earmarked for the maintenance of the Greymouth War Memorial area (ANZAC/Dixon Parks area).
- Purpose
  - Maintenance of swimming pool façade and ANZAC/Dixon Parks area.
- Contributions
  - Annual purpose received from Trust.

#### [3.10.b] e. white bequest

- History
  - To be used by the Council for the surface development of any (Borough) reserve (including the undeveloped part of Petrie Avenue) lying alongside or adjacent to the Greymouth/Hokitika railway line.
- Purpose
  - Surface development/maintenance of reserve land lying alongside or adjacent to the Greymouth/Hokitika railway line, including Petrie Avenue.
- Contributions
  - N/A.





[3.10.c] mayoral flood relief fund

- History
  - Money accessed from Southland Flood Relief Fund in 1998 following flood-related damage in the Kaiata area.
- Purpose
  - To assist victims of flooding.
- Contributions
  - N/A

[3.10.d] grey united tennis re-surfacing fund

- History
  - Money held on behalf of the Grey United Tennis Club.
- Purpose
  - For future re-surfacing of Grey United tennis court.
- Contributions
  - N/A

[3.10.e] citizens emergency relief fund

- History
  - A remnant from the 1988 floods.
- Purpose
  - Assistance to flood victims.
- Contributions
  - N/A

[3.10.f] perotti bequest

- History
  - A bequest for municipal purposes.
- Purpose
  - To fund municipal purposes.
- Contributions
  - N/A

[3.10.g] peters bequest

- History
  - A bequest made for purchase of talking books.
- Purpose
  - To purchase talking books.
- Contributions
  - N/A

[3.10.h] vera corbett bequest

- History
  - A bequest for the purchase of library books.
- Purpose
  - To purchase library books.
- Contributions
  - N/A

Grey District Council